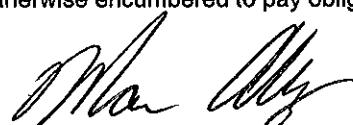




# C O N T R A C T

(FA-type fee-for-service contract with an individual, business, non-profit, or governmental entity of another state)

Agency Tracking # <b>31786-00105</b>		Edison ID <b>22009</b>													
Contractor  Innovative Resource Group LLC d/b/a/ APS Healthcare Midwest (APS)		Contractor Federal Employer Identification or Social Security #  <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 39-2013972													
<b>Service</b> Provide a full continuum of health management and wellness services to members of the public sector plans.															
Contract Begin Date  July 26, 2010		Contract End Date  December 31, 2015	Subrecipient or Vendor  <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	CFDA #(s)											
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount										
2011			9,332,200.00		9,332,200.00										
2012			18,500,000.00		18,500,000.00										
2013			18,600,000.00		18,600,000.00										
2014			18,700,000.00		18,700,000.00										
2015			18,800,000.00		18,800,000.00										
2016			9,389,800.00		9,389,800.00										
<b>TOTAL:</b>			<b>93,322,000.00</b>		<b>93,322,000.00</b>										
American Recovery and Reinvestment Act (ARRA) Funding – <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO															
OCR USE FA		<b>Agency Contact &amp; Telephone #</b> Marlene D. Alvarez, Procurement & Contracting Manager Tennessee Department of Finance & Administration Benefits Administration Division William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, Suite 2600 Nashville, Tennessee 37243 Telephone: 615.253.8358 Fax: 615.253.8556 Marlene.alvarez@tn.gov													
 <b>F&amp;A Secured Document</b> # <b>FA1132688</b>		<b>Agency Budget Officer Approval</b> (there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred) 													
		Speed Code multiple codes	Account Code 78902000												
<b>Contractor Ownership/Control</b> <table> <tr> <td><input type="checkbox"/> African American</td> <td><input type="checkbox"/> Person w/ Disability</td> <td><input type="checkbox"/> Hispanic</td> <td><input type="checkbox"/> Small Business</td> <td><input type="checkbox"/> Government</td> </tr> <tr> <td><input type="checkbox"/> Asian</td> <td><input type="checkbox"/> Female</td> <td><input type="checkbox"/> Native American</td> <td><input checked="" type="checkbox"/> NOT Minority/Disadvantaged</td> <td><input type="checkbox"/> Other</td> </tr> </table>						<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business	<input type="checkbox"/> Government	<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input checked="" type="checkbox"/> NOT Minority/Disadvantaged	<input type="checkbox"/> Other
<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business	<input type="checkbox"/> Government											
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input checked="" type="checkbox"/> NOT Minority/Disadvantaged	<input type="checkbox"/> Other											
<b>Contractor Selection Method</b> <table> <tr> <td><input checked="" type="checkbox"/> RFP</td> <td><input type="checkbox"/> Competitive Negotiation *</td> <td><input type="checkbox"/> Alternative Competitive Method *</td> </tr> <tr> <td><input type="checkbox"/> Non-Competitive Negotiation *</td> <td><input type="checkbox"/> Other *</td> <td></td> </tr> </table>						<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation *	<input type="checkbox"/> Alternative Competitive Method *	<input type="checkbox"/> Non-Competitive Negotiation *	<input type="checkbox"/> Other *					
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation *	<input type="checkbox"/> Alternative Competitive Method *													
<input type="checkbox"/> Non-Competitive Negotiation *	<input type="checkbox"/> Other *														

**\*Procurement Process Summary**

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
STATE INSURANCE COMMITTEE,  
LOCAL EDUCATION INSURANCE COMMITTEE,  
LOCAL GOVERNMENT INSURANCE COMMITTEE,  
AND  
INNOVATIVE RESOURCE GROUP LLC d/b/a/ APS HEALTHCARE MIDWEST (APS)**

This Contract, by and between the State of Tennessee, State Insurance Committee, Local Education Insurance Committee, and the Local Government Insurance Committee, hereinafter referred to as the "State" and Innovative Resource Group LLC d/b/a/ APS Healthcare Midwest (APS), hereinafter referred to as the "Contractor," is for the provision of health management and wellness services for the State's Public Sector Plans, as further defined in the "SCOPE OF SERVICES."

The Contractor is private, for-profit, limited liability company.

Contractor Federal Employer Identification or Social Security Number: 39-2013972

Contractor Place of Incorporation or Organization: State of Iowa

**A. SCOPE OF SERVICES**

A.1. The Contractor shall provide all services and deliverables as required, described, and detailed by this Scope of Services and shall meet all service and delivery timelines specified in the Scope of Services section or elsewhere in this Contract.

- a. Unless otherwise stated, the Contractor shall make available all services described in this Contract to all members enrolled in the Public Sector Plans, regardless of whether the member is enrolled in the Standard PPO, Partnership PPO, or any other benefit option that Benefit Administration offers to members.
- b. With respect to lifestyle management, disease management (DM) and case management services described in Section A.7, the Contractor shall provide these as a seamless continuum of health services, ranging in intensity from lifestyle management described in Contract Section A.7.r (least intensive), DM described in Contract Section A.7.s (more intensive), and case management described in Contract Section A.7.t (most intensive).

A.2. Implementation.

- a. The Contractor's programs, services and systems, including but not limited to lifestyle management, DM, case management, member materials, call centers and the Contractor's website, shall be fully operational on the applicable dates specified in Contract Section A.22.
- b. The Contractor shall implement the information systems and other processes required to perform all services described herein. The Contractor shall work with the State to ensure that the Contractor satisfies applicable requirements of this Contract, including requirements in the State Plan, Local Education Plan, and Local Government Plan Documents (referred to as the "Plan Documents" and which are located on the State's website at [www.tn.gov/finance/ins/publications.html](http://www.tn.gov/finance/ins/publications.html)) and State and Federal law.
- c. The Contractor shall have a dedicated full-time implementation team. All of the Contractor's implementation team members shall have participated, as team members, in

the implementation of health management and wellness services for at least one other large employer (i.e., an employer plan with at least 30,000 members). The Contractor's implementation team shall include a full-time Account Manager dedicated to this Contract, who will be the main contact with the State for all of the day-to-day matters relating to the implementation and ongoing operations of this Contract. Also, the Contractor shall assign a Project Coordinator (i) to serve as backup to the Account Manager and (ii) to coordinate activities among the Contractor and the State's existing vendors and all the internal and external participating and affected entities. All implementation team members that the Contractor referenced in its proposal response to RFP #3176-00105, Attachment 6.2, Section C (Technical Proposal), item C.1 shall be available as needed during the implementation but should be dedicated full-time to this project at least two (2) months prior to the go-live date specified in Contract Section A.22. and thirty (30) days after the go-live date.

- d. All key Contractor project staff shall attend a project kick-off meeting at the State of Tennessee offices in Nashville, TN within the first twenty-one (21) days after the Contract signature deadline.
- e. The Contractor shall provide a project implementation plan to the State no later than thirty (30) days after the Contract start date. The Contractor shall maintain the plan and ensure that it is updated at least daily. The plan shall be in a Microsoft Excel- or Microsoft Project-formatted file and shall be made available to State staff as it is updated or upon the State's request.
- f. The project implementation plan shall comprehensively detail all aspects of implementation, which includes all tasks with deliverable dates necessary to satisfactorily implement all health management and wellness services no later than the go-live date specified in Contract Section A.22. The plan shall also include a description of the members on the implementation team and their roles with respect to each item/task/function. The plan shall include a detailed timeline description of all work to be performed both by the Contractor and the State. The implementation plan shall also provide specific details on the following:
  - (1) Identification, timing, and assignment of significant responsibilities and tasks;
  - (2) Names and titles of key implementation staff;
  - (3) Identification and timing of the State's responsibilities;
  - (4) Data requirements (indicate type and format of data required);
  - (5) Identification and timing for the testing, acceptance and certification of exchange of data between the Contractor and Edison and other relevant information systems;
  - (6) Member communications and their timing (consistent with Benefits Administration's larger member communication strategy regarding the benefit redesign);
  - (7) Schedule of in-person meetings and conference calls with the State; and
  - (8) Transition requirements with the incumbent health management and wellness vendor.

The Contractor's implementation plan shall require written approval by the State.

- g. The Contractor shall provide for a comprehensive operational readiness review (pre implementation audit) by the State, and/or its authorized representative, at least ninety (90) days prior to the go-live date. Such review by the State, and/or its authorized representative, may include, but not be limited to, an onsite review of the Contractor's operational readiness for all services required in this Contract (e.g., lifestyle management, disease management, case management, member services call center, nurse advice

line, member communication, training, and website development). The review may also include desk reviews of documentation that includes but is not limited to:

- (1) Policy and Procedures Manual(s);
- (2) Scripts for coaches, case managers, call center representatives, and nurse advice line staff;
- (3) Information systems documentation; and
- (4) The ability to provide and the process governing the preparation of any and all deliverables required under this Contract.

- h. At its discretion, the State may conduct an additional, pre-implementation review of the Contractor's progress towards fulfilling the information systems requirements of this Contract. Such review by the State, and/or its authorized representative, may include both onsite and desk reviews, including but not limited to staff interviews, system demonstrations, systems testing, and document review.
- i. During onsite visits as part of readiness review or a pre-implementation review, the Contractor shall provide onsite workspace and access to a telephone, fax, printer, copy machine, and Internet connection. The Contractor's staff members shall be freely available to the State officials to answer questions during these visits.
- j. The Contractor shall conduct status meetings with the State concerning project development, project implementation and Contractor performance at least twice a week during implementation and daily for the two weeks prior to and the first month following the go-live date, unless otherwise approved by the State.
- k. No later than forty-five (45) days post-implementation, the State will complete an Implementation Performance Assessment, which will be provided to the Contractor. This assessment will be used to document the State's satisfaction with the implementation process and identify any necessary corrective action(s). The Contractor shall comply with all recommendations/requirements made in writing by the State within the timeframes specified by the State.

**A.3. Health Screening.**

- a. The Contractor shall develop a health screening protocol, which shall be prior approved in writing by the State. The Contractor shall have the capability to include in the health screening, at a minimum, the following elements:
  - (1) Blood glucose;
  - (2) Total cholesterol;
  - (3) LDL cholesterol;
  - (4) HDL cholesterol;
  - (5) Triglycerides;
  - (6) Waist circumference;
  - (7) Blood pressure;
  - (8) Weight;
  - (9) Height; and
  - (10) Body Mass Index (BMI).
- b. The Contractor shall offer health screens to members at:
  - (1) Employment site screening events held by the Contractor (in the first year of the contract and in alternate years thereafter); and
  - (2) Their home using home testing kits, with each request for a home testing kit subject to prior authorization by the State.

- c. The Contractor shall also accept health screening results conducted at a health care provider's office/practice site if the provider uses the State developed health screening form, signs it and submits it according to the Contractor's policies and procedures. The State shall reimburse providers (through the medical Third Party Administrators (TPAs)) for any covered health care services (e.g., annual physicals) rendered to members in order to complete the health screening forms.
- d. In the event that a provider submits incomplete information or information on a form other than that required under this Contract, the Contractor shall contact the member by mail within five (5) business days to alert the member to the specific deficiency and include a copy of the appropriate form that the provider must submit.
- e. The Contractor may provide health screens to members at laboratories/other patient services centers if the Contractor has a partnership in place for this purpose (see Contract Section A.3.j.).
- f. The State will reimburse the Contractor for only one (1) health screening for any member during any screen survey period as defined in Contract Section A.3.g.(3) below.
- g. Employment Site Screening Events
  - (1) In the first year of the Contract and in alternate years thereafter (e.g., 2011, 2013, etc.), the Contractor shall hold employment site screening events, at a minimum, at prisons, institutions for mental disease (IMDs), Division of Intellectual Disabilities (DIDS) developmental centers, Tennessee Department of Transportation (DOT) facilities, higher education campuses, and additional key state and local government worksites.
  - (2) The Contractor's employment site screening events shall occur during public employee work hours (including night shift hours) and shall be available during shift changes.
  - (3) In the first year of the Contract and in alternate years thereafter (e.g., 2011, 2013, etc.), the Contractor shall hold at least one hundred fifty (150) screenings per health screen survey period with a minimum capacity of fifty (50) appointments per screening. For the purposes of this Contract this means:
    - i. In the first plan year the Contractor shall hold one hundred percent (100%) of all employment site screening events between January 1 and June 30 of 2011.
    - ii. In alternate years thereafter, the Contractor shall hold one hundred percent (100%) of employment site screening events from the beginning of the State's Annual Enrollment Transfer Period or Open Enrollment Period (whichever is applicable in that year; generally in mid-October) through May 31<sup>st</sup>.
  - (4) The Contractor shall submit its proposed schedule of employment site screening events to the State for review by the data specified in Section A.22. The State reserves the right to request modification to said schedule depending upon participation volume. The Contractor shall also perform additional screenings (over and above those required by subsection (3) above) during any year of this Contract at the per onsite health screening rate (default rate) in Section C.3.
  - (5) The Contractor shall have at least one (1) staff member at each employment site screening event who is trained in cardiopulmonary resuscitation (CPR) and has

current certification through a course approved either by the American Red Cross or the American Heart Association. Additionally, the Contractor shall have at least one (1) staff member at each event who is trained in first aid and has current certification through the American Red Cross or equivalent training and certification entity. One (1) staff member who meets both qualifications above will suffice for the purposes of meeting this requirement.

- (6) The Contractor shall organize and coordinate all planning and related logistics for the employment site screening events. The Contractor's tasks shall include securing the screening event spaces (working in conjunction with the agency wellness liaisons and the Agency Benefits Coordinators), advertising the event and notifying members, registering members, scheduling appointments, and setting up the screening event. The Contractor shall coordinate its planning and all changes thereto with the State in order to keep the State informed and involved.
- (7) The Contractor shall request that members sign up either online or by phone for a health screening appointment in advance of an employer site screening event. The Contractor may cancel an onsite employer site screening event if fewer than fifty (50) members sign up in advance so long as the State prior approves said cancellation. The Contractor must contact members of the cancellation prior to the screening event either online or by phone.
- (8) The Contractor shall allow walk-in appointments to the extent that it has the capacity to accommodate these.
- (9) The Contractor shall schedule appointments to allow adequate time for conducting the screening and providing a short counseling session. The Contractor shall use best efforts to start each appointment on time.
- (10) The Contractor shall use the fingerstick method for the blood draw (e.g., Cholestech).
- (11) The Contractor shall have a process in place to receive the results of the employment site screening.
- (12) The Contractor shall provide onsite counseling to the members as part of the screening session. This onsite counseling shall include the results of the health screening with explanation, including a one-page summary of the results, "improvement opportunities", if indicated, that describe the types of health recommendations or changes that a member may wish to consider and/or discuss with his or her provider and next steps. As part of this onsite counseling the Contractor shall remind members to complete the health questionnaire if they haven't already done so and that, depending on the member's wellness score/risk assessment, the Contractor may conduct follow-up activities (e.g., sending the member health education materials or calling the member to provide health coaching).
- (13) The Contractor's protocols for onsite counseling shall address the procedures for responding to urgent and emergent situations (e.g., dangerously high or low screening results, emergencies, injuries).
- (14) If, based on screening information collected during an employment site screening event, the Contractor determines that a member is at high risk (as described in Contract Section A.5.), the Contractor shall ensure that a disease management

coach or case manager (as appropriate) calls the member within seven (7) business days of the screening.

h. Screens at Provider Offices/Practice Sites

- (1) Consistent with Section A.3.c., members shall have the option of receiving health screens at their provider's office/practice site.
- (2) The Contractor shall inform members that they will only receive credit for completion of the screen if the provider completes the State developed health screening form, signs it, and submits it according to the Contractor's policies and procedures.
- (3) The Contractor shall develop and implement a process to receive the results of health screening conducted in a provider's office/practice site and input the results into the member's health questionnaire.
- (4) Within seven (7) business days of receiving the screening results, provided Contractor has a telephone number for the member and the telephone number is working, the Contractor shall document at least three (3) good faith attempts on separate days and a different times to contact the member. The Contractor shall document such contacts and complete all related follow up within 10 (ten) business days; however, the last attempt cannot be less than seven (7) days after the first attempt. A coach or case manager (as appropriate) shall call any member (regardless of whether he/she has completed the health questionnaire) whose results are outside the normal range for blood glucose, total cholesterol, LDL cholesterol, HDL cholesterol, triglycerides or blood pressure, whose waist circumference is equal to or greater than one-half (1/2) their height or whose BMI is categorized as underweight, overweight or obese. The coach or case manager shall have a direct conversation with the member (leaving a message on the member's voice-mail is not sufficient) to discuss the results, determine the member's preferred method of receiving written results (e.g., secure email or regular mail).

To the maximum extent possible, the Contractor shall perform the enrollment function described under Section A.6 during this same telephone conversation with the member.

Prior to the each attempted outbound call to the member, the Contractor shall check to see whether the member completed the health questionnaire; if so, the Contractor shall also provide the member with the feedback required under Section A.5. If the member has not completed the questionnaire, the Contractor shall remind them to do so at their earliest convenience. The reminder shall include information on how to access it on the member website/portal and inform the member that the Contractor will provide a complete summary of results and a health-wellness score/risk assessment upon completion of the health questionnaire.

- (5) For all members who have completed the health questionnaire as described in Contract Section A.4 and whose results are within the normal range for blood glucose, total cholesterol, LDL cholesterol, HDL cholesterol, triglycerides or blood pressure, whose waist circumference is less than one-half (1/2) their height or whose BMI is categorized as normal, the Contractor shall provide the results and recommendations for improvement, if applicable, as described in Contract Section A.5.

(6) For members who have not completed the health questionnaire as described in Contract Section A.4. and whose results are within the normal range for blood glucose, total cholesterol, LDL cholesterol, HDL cholesterol, triglycerides or blood pressure, whose waist circumference is less than one-half (1/2) their height or whose BMI is categorized as normal, within seven (7) business days of receiving the health screen results the Contractor shall email or mail (according to the member's stated preference obtained from the registration information provided to the Contractor as described in Contract Section A.12.I.) the member to remind him/her to complete the health questionnaire. The reminder shall include information on how to access it on the Contractor's member website/portal and inform the member that the Contractor will provide a complete summary of results and a health-wellness score/risk assessment upon completion of the health questionnaire.

(7) During the first plan year of this Contract, if a member has had a health screening that included the required components any time after June 30, 2010 at their provider's office/practice site, the member may use information from that screening to complete the health questionnaire. Consistent with Contract Section A.3.h.2, the member shall only receive credit for the screen if the provider completes the State developed health screening form, signs it, and submits it according to the Contractor's policies and procedures.

i. At-home Screening

(1) In special circumstances involving specific member hardships, and as prior approved by the State, the Contractor may allow a member to use a home testing kit to conduct the health screening. Members shall be able to request a home testing kit from the Contractor. As part of the request to the State the Contractor will either (a) summarize the circumstances surrounding the member's hardship request and seek authorization from the State to send a home testing kit; or (b) note that the member's self-reported circumstances meet the criteria for use of home testing kits that the State may in the future establish as policy.

(2) The Contractor shall arrange for the home testing kit to be delivered to the member; the home testing kit shall include detailed instructions for the member to follow.

(3) The Contractor shall have a process in place to receive the results of the home testing kit and input the results into the member's health questionnaire.

(4) Within seven (7) business days of receiving the screening results, provided Contractor has a telephone number for the member and the telephone number is working, the Contractor shall document at least three (3) good faith attempts on separate days and a different times to contact the member. The Contractor shall document such contacts and complete all related follow up within 10 (ten) business days; however, the last attempt cannot be less than seven (7) days after the first attempt. A coach or case manager (as appropriate) shall call any member (regardless of whether he/she has completed the health questionnaire) whose results are outside the normal range for blood glucose, total cholesterol, LDL cholesterol, HDL cholesterol, triglycerides or blood pressure, whose waist circumference is equal to or greater than one-half (1/2) the height or whose BMI is categorized as underweight, overweight or obese. The coach or case manager shall have a direct conversation with the member (leaving a message on the member's voice-mail is not sufficient) to discuss the results, determine the member's preferred method of receiving written results (e.g., secure email or regular mail), and to remind the member to complete the health questionnaire.

- (5) For all members who have completed the health questionnaire as described in Contract Section A.4 and whose results are within the normal range for blood glucose, total cholesterol, LDL cholesterol, HDL cholesterol, triglycerides or blood pressure, whose waist circumference is less than one-half (1/2) their height or whose BMI is categorized as normal, the Contractor shall provide the results and recommendations for improvement, if applicable, as described in Contract Section A.5.
- (6) For members who have not completed the health questionnaire as described in Contract Section A.4, and whose results are within the normal range for blood glucose, total cholesterol, LDL cholesterol, HDL cholesterol, triglycerides or blood pressure, whose waist circumference is less than one-half (1/2) their height or whose BMI is categorized as normal, within seven (7) business days of receiving the health screen results the Contractor shall email or mail (according to the member's stated preference obtained from the registration information provided to the Contractor as described in Contract Section A.12.).

To the maximum extent possible, the Contractor shall perform the enrollment function described under Section A.6 during this same telephone conversation with the member.

Prior to the each attempted outbound call to the member, the Contractor shall check to see whether the member completed the health questionnaire; if so, the Contractor shall also provide the member with the feedback required under Section A.5. If the member has not completed the questionnaire, the Contractor shall remind them to do so at their earliest convenience. The reminder shall include information on how to access it on the member website/portal and inform the member that the Contractor will provide a complete summary of results and a health-wellness score/risk assessment upon completion of the health questionnaire.

j. Laboratory/Patient Services Screening

If the Contractor has a partnership in place with one (1) or more entities (e.g., a laboratory) to conduct health screenings, then the Contractor shall receive the prior written approval of the State before offering this option to members. The Contractor shall submit a plan to the State describing this option, including but not limited to: information about the venues (type, number, capacity); proposed availability for screenings; assurance that the subcontractor will conduct the entire health screen and in accordance with the Contractor's policies and procedures; how and when the Contractor will receive the results of the screening and input them into the member's health questionnaire, how and when the Contractor will provide to the member the results of the health screening with explanation, including a one-page summary of the results and "improvement opportunities" (if indicated); and how and when the Contractor will provide each member a brief counseling session. The State is unlikely to permit the Contractor to offer any such option unless, at a minimum, the partnering entity or laboratory can complete all components of the health screening (including the height and weight measurements).

k. The Contractor shall submit its health screening protocol and related materials, including but not limited to a sample of the one-page summary of results and "improvement opportunities" (if indicated), the health questionnaire reminder notice, and counseling scripts, to the State for approval on or before the date specified in Contract Section A.22. The State reserves the right to require changes. The Contractor shall not modify the health screen or health screening protocol without the prior written approval of the State and shall notify the State, in writing, thirty (30) days prior to any significant changes to

related materials. The State reserves the right to review the proposed change(s) and require additional revisions.

- I. The Contractor shall submit health screening reports to the State (see Contract Attachment C).

**A.4. Health Questionnaire**

- a. The Contractor shall develop a health questionnaire, which shall be prior approved in writing by the State. The Contractor's health questionnaire shall:
  - (1) Collect information on member demographics, contact information (including preferred email-address(es) and phone number(s)), lifestyle behaviors (including but not limited to tobacco use and weight management), stress, and depression.
  - (2) Include no more than sixty (60) questions;
  - (3) Take approximately fifteen (15) minutes to complete;
  - (4) Be written at or below the sixth (6.0) grade reading level and meet other State requirements for written materials (see Contract Section A.11);
  - (5) Allow for customization by the State on a continuous basis; and
  - (6) Be available electronically online and in paper form.
- b. The Contractor shall modify the health questionnaire in accordance with a State request for a revision or other change within thirty (30) days of said request unless the issue is a legal one, in which case the health questionnaire shall be amended immediately.
- c. The Contractor shall provide a paper health questionnaire to a member upon member request. The State will reimburse the Contractor for only one (1) paper health questionnaire per member per year. The Contractor shall mail a paper health questionnaire form to the member within two (2) business days of the receipt of the request.
- d. The Contractor's electronic, online health questionnaire shall allow members to partially complete the health questionnaire and return to it with all previously entered information saved. Consistent with the State's goal of maximizing use of web-based tools by members, the Contractor shall not provide a print-friendly version of the health questionnaire on its website (as members downloading or printing a form ostensibly could complete the online version) without obtaining prior written authorization from the State.
- e. The electronic, online health questionnaire shall be available on the Contractor's website and via a link to the Contractor's website on websites specified by the State, including but not limited to the website for Benefits Administration, the website of each medical TPA, the Employee Assistance Program (EAP)/Behavioral Health Organization's (BHOs) website, the PBM's website, and the website of the State's enrollment counseling and communication (ECC) vendor.
- f. The online health questionnaire shall require the member to enter their email address or, if already populated, to confirm the email address in order to complete the process. The Contractor shall use a double-entry system to confirm the member's self-reported email address(es) or use software edits to correct frequent email address/domain mistakes by members.
- g. The Contractor's online health questionnaire shall not enable members to submit their responses for evaluation if any critical fields are missing data or if the system edits in place identify obvious errors or inconsistency within the questionnaire or with a questionnaire previously completed by the member. These obvious errors or inconsistency within the questionnaire or with a questionnaire previously completed by the

member which are identified by the system edits shall be the same inconsistencies which would trigger a review of a submitted paper health questionnaire described in Contract Section A.4.l. below.

- h. The Contractor shall allow members to complete the online health questionnaire as many times as they desire. However, the Contractor shall use the first health questionnaire (and screening results) completed during or after the most recent screen survey period (as defined in Section A.3.g.(3)) in developing the member's wellness score/risk assessment.
- i. At the member's request, the Contractor shall provide telephonic assistance with completing the health questionnaire.
- j. The Contractor shall review all submitted paper health questionnaires to confirm that the member has completed all required information and to check for obvious errors or inconsistency within the questionnaire or with a questionnaire previously completed by the member. This review shall be completed within ten (10) business days of receiving the health questionnaire. If the Contractor finds any missing or inaccurate information, the Contractor shall contact the member (via phone call or email) within ten (10) business days (following the date of discovery of the missing information) to reconfirm the questionable information with the member and help the member accurately complete the health questionnaire. During the first six (6) months of the first plan year of this Contract (January 1, 2011 through June 30, 2011), these timeframes shall be extended by three (3) business days.

k. Feedback to Members

- (1) Within seven (7) business days of completion of the health questionnaire, provided Contractor has a telephone number for the member and the telephone number is working, the Contractor shall document at least three (3) good faith attempts on separate days and a different times to contact the member. The Contractor shall document such contacts and complete all related follow up within 10 (ten) business days; however, the last attempt cannot be less than seven (7) days after the first attempt. A coach or case manager (as appropriate) shall call any member (regardless of whether he/she has completed the health screening) whose health questionnaire indicates likely entrance into lifestyle management, disease management or case management as described in Contract Section A.6. (e.g. he/she uses tobacco, she is pregnant). The coach or case manager shall have a direct conversation with the member (leaving a message on the member's voice-mail is not sufficient) to discuss the results, determine the member's preferred method of receiving written results (e.g., secure email or regular mail). During the first six (6) months of the first plan year of this Contract (January 2011 through June 30, 2011), this timeframe shall be extended by three (3) business days.

To the maximum extent possible, the Contractor shall perform the enrollment function described under Section A.6 during this same telephone conversation with the member.

Prior to the each attempted outbound call to the member, the Contractor shall check to see whether the member completed the health screening; if so, the Contractor shall also provide the member with the feedback required under Section A.4. If the member has not completed the health screening, the Contractor shall remind them to do so at their earliest convenience. The reminder shall also include information as to how the member can complete the health screening.

- (2) For members who have completed both the health questionnaire (for paper health questionnaires, a completed health questionnaire is one which has been reviewed according to the requirements and timeframes in this Contract Section A.4.) and the health screen, the Contractor shall provide feedback as described in Contract Section A.5.
- (3) For members who completed the online health questionnaire but have not completed the health screen, within three (3) business days of the member completing the online health questionnaire the Contractor shall email the member reminding him/her to complete the health screen, including information on how to schedule an appointment at an employment site screening event, and inform the member that the Contractor will provide a complete summary of results and a health-wellness score/risk assessment upon completion of the health screen. During the first six (6) months of the first plan year of this Contract (January 2011 through June 30, 2011), these timeframes shall be extended by three (3) business days.
- (4) For members who completed a paper health questionnaire but have not completed the health screen, the Contractor shall contact the member to remind him or her to complete the health screen. The Contractor shall also provide information on how to schedule an appointment at an employment site screening event and inform the member that the Contractor will provide a complete summary of results and a health-wellness score/risk assessment upon completion of the health screen. The Contractor shall provide this information via the member's preferred contact media (as obtained from the registration information provided to the Contractor as described in Contract Section A.12.I.) within (5) business days of completing the review of the paper-submitted health questionnaires. During the first six (6) months of the first plan year of this Contract (January 2011 through June 30, 2011), this timeframe shall be extended by three (3) business days.
- (5) For members completing additional online health questionnaires, which will not be used in developing the wellness score/risk assessment, the Contractor shall provide an email summary of the results of the health questionnaire within five (5) business days of completion of the health questionnaire (if so requested by the member when automatically prompted by the online system).

I. The Contractor shall submit its health questionnaire and related materials, including but not limited to its health screen reminder notice, to the State for approval on or before the date specified in Contract Section A.22. The State reserves the right to require changes. The Contractor shall not modify the health questionnaire without the prior written approval of the State and shall notify the State, in writing, thirty (30) days prior to any significant changes to related materials. The State reserves the right to review the proposed change(s) and require revisions.

m. As further described in Contract Sections A.5., A.6., and A.14 the Contractor shall use the health questionnaire information to identify member's risk factors and shall implement appropriate follow-up (e.g., enrolling the member in lifestyle management or other programs offered by the Contractor or referring the member to the EAP/BHO or other State vendor or resource).

n. The Contractor shall submit health questionnaire reports to the State (see Contract Attachment C).

A.5. Wellness Scoring/Risk Assessment.

- a. The Contractor shall evaluate the information collected in the health questionnaire, including the health screening data, and calculate a member's wellness score and assess the member's risk using the process described in this Contract Section A.5. Unless otherwise directed by the State, the Contractor shall calculate each wellness score/risk assessment within ten (10) business days of completion of both the health screen and health questionnaire.
- b. The Contractor shall provide each member with individualized, written information to include:
  - (1) The member's health screen results with summary;
  - (2) A summary and results of the health questionnaire;
  - (3) The member's wellness score/risk assessment;
  - (4) Any "improvement opportunities" that describe the types of health recommendations or changes that a member may wish to consider and/or discuss with his or her provider, if indicated;
  - (5) Any recommendations for reducing risk and improving health, if indicated;
  - (6) A description of the program in which the member can and should enroll, if indicated, and as described in Contract Section A.6 and A.7; and
  - (7) A summary of the tools and information available on the Contractor's member website/member portal.
- c. The Contractor shall provide this information to the member via preferred contact media (as obtained from the registration information provided to the Contractor as described in Contract Section A.12.1) within five (5) business days of completing the wellness score/risk assessment. The Contractor shall submit this packet for review and approval by the State on or before the date specified in Contract Section A.22.
- d. The Contractor shall use the member's wellness score/risk assessment to trigger entrance into lifestyle management, disease management, or case management, to provide member materials, and to make referrals to other resources (e.g., the EAP/BHO) using the process described in this Contract Sections A.5, A.6., and A.14
- e. Members shall be able to improve their wellness score/risk assessment by participating in the Contractor's programs and earning wellness points. Subject to State approval, the Contractor shall develop and implement a process that enables members to accumulate points for verifiable and non-verifiable health/wellness.
- f. The Contractor shall be responsible for collecting participation points activities and tracking wellness, e.g., via its attendance/participation tracking methodology and self-reported data by the member.
- g. The Contractor shall track each member's wellness score/risk assessment over time (see Contract Section A.17.).
- h. The Contractor shall submit its methodology for developing the wellness score and determining wellness/risk categories, including but not limited to, the factors used in the scoring, how those factors are weighted, the wellness/risk categories, the threshold for those categories, and the threshold for each program/type of intervention to the State for approval on or before the date specified in Contract Section A.22. The State reserves the right to review the methodology and require changes. Any changes to this methodology by the Contractor shall be prior approved in writing by the State.

- i. For purposes of transparency, the Contractor shall explain in detail its wellness scoring/risk assessment methodology (including the weights for all factors and any formulae) and document its rationale for each component on an appropriate, designated space on its website.
- j. Within thirty (30) days of the State's request, the Contractor shall modify its wellness score/risk assessment process.
- k. The State reserves the right to change the weights of some or all of the self-reported member information that the Contractor gathers from the health questionnaires in the wellness score/risk assessment methodology. Except and unless required by law, the State will limit such changes to once per year and provide the Contractor with at least sixty (60) day advance notice of such changes.

A.6. Identification and Enrollment in Lifestyle Management, Disease Management, and Case Management.

- a. The Contractor shall use multiple sources of data and information for identifying members as potentially eligible for lifestyle management, a disease management (DM) program, or case management. This includes but is not limited to information from completed health questionnaires (including health screening information); referrals from providers; referrals from the State (e.g., identification of members who are pregnant); referrals from a State vendor (e.g., medical TPA, EAP/BHO, or PBM); member self-referral; authorization, discharge planning, and similar information from the member's medical TPA (see Contract Sections A.14. and A.18.); and as applicable, medical, behavioral health, and pharmacy claims as well as laboratory results (see Contract Section A.18.).
- b. If the Contractor identifies a member (other than a pregnant member potentially eligible for high risk maternity case management or a dependent under age nineteen (19)) as potentially eligible for lifestyle management, a DM program, or case management, and the member does not have a completed health questionnaire (including health screening information), then a lifestyle coach, DM coach, or case manager (as applicable) shall contact the member by phone. The Contractor shall inform the member regarding services available from the Contractor, the value of receiving those services, and that the member needs to complete a health questionnaire, how to complete the questionnaire and get a health screening, and potential next steps. The Contractor may enroll the member into lifestyle management, DM, or case management for up to four (4) months without the member completing the health screen and health questionnaire. If, after that time period the member has not completed the health screen and health questionnaire, then the Contractor shall disenroll the member in accordance with Contract Section A. 8.
- c. If the Contractor determines that a member is pregnant (e.g., based on information provided by the State or its vendors), a coach/case manager shall call the pregnant member within five (5) business days. The Contractor shall, at a minimum, conduct a brief screening to determine if the member is at high risk (according to the definition of "high risk pregnancy" in The Merck Manual for Healthcare Professionals and as prior approved by the State). If the member is at high risk, the Contractor shall inform her of the services available from the Contractor. The Contractor shall also offer to enroll the member in the appropriate case management program (or lifestyle or disease management programs), if applicable. The Contractor shall also encourage the member to complete a health questionnaire, offer assistance with this or other resources, and discuss potential next steps.
- d. If the Contractor determines that a member who is a dependent under age 19 is potentially eligible for a DM program or case management, a coach/case manager shall call the head-of-contract. The purpose of this call shall be to determine whether the

dependent is eligible for a DM program or case management and, if appropriate, enroll the dependent in the applicable program; and inform the head-of-contract about the support services that are available to the head-of-contract from the Contractor (e.g., supportive coaching for parent(s) through a DM program, availability of community support groups, relevant materials on the Contractor's website).

- e. Based on the health questionnaire and any other information collected by the Contractor, the Contractor shall determine which program (lifestyle management, a particular DM program, or case management), if any, and which risk level within a program is most appropriate for the member and shall enroll the member in that program/risk level (as defined in the Contractor's Proposal in response to RFP #317816-00105 and approved by the State). Consistent with Section C.3, the Contractor may only bill the State for one lifestyle management, DM, or case management rate for each participant during any one month. Consistent with Section A.7., the Contractor shall enroll the member in the highest intensity/most appropriate program, and the member's coach/case manager shall provide the full continuum of services for which the member is eligible. If necessary to best meet a member's needs (e.g., the member has multiple medical conditions), the Contractor may use a coaching/case management team for a member enrolled in DM or case management.
- f. The Contractor shall submit recommended eligibility criteria and risk stratification procedures for each program (lifestyle management, each DM program, and case management), including but not limited to the data/information sources, the criteria for the target population, the factors used in the risk stratification and how those factors are weighted, the threshold for each risk level, and applicable timeframes for identification and risk stratification, by data source, to the State by the date specified in Contract Section A.22. The State will review the procedures, meet with Contractor, and may require changes. Any changes to the final procedures must be prior approved by the State in writing, and the Contractor shall make any changes requested by the State.
- g. Upon a member's enrollment into lifestyle management, a DM, or case management program, the member's coach or case manager (as applicable) shall develop an interim plan for intervention and contact the member via telephone and/or email. This contact shall include but not be limited to the following:
  - (1) Introducing the single lifestyle coach, DM coach, or case manager and providing his or her contact information;
  - (2) Verifying that the member has the Contractor's contact information, including the member services phone number and hours of operations and the Contractor's website address;
  - (3) Providing information about the nurse advice line, including the phone number (if different from the member services line) and what information/assistance is available through the nurse advice line;
  - (4) Verifying that the member's information, including contact information and eligibility for the program and risk level, is correct;
  - (5) Collecting any additional information needed by the Contractor;
  - (6) Informing the member to notify the Contractor about a phone number change as well as any medical or medical-related change(s);
  - (7) Providing information specific to the member's condition and risk level (e.g., self-care guidelines);

- (8) Providing information about the applicable lifestyle management, DM, or case management intervention (e.g., frequency and type of contacts, the role of the coach/case manager, expectations regarding the member's engagement);
- (9) Identifying relevant information available to the member on the Contractor's website and how to access it;
- (10) Asking the member whether he/she would prefer to communicate via phone or email and scheduling options for calls;
- (11) Informing a member who has signed the Partnership Promise and is in the Partnership PPO that, subject to State approval of the final script: (1) the member will continue to receive the premium discount and lower out-of-pocket costs as long as he/she is an active participant in the specified program/intervention; and (2) should the member disenroll from lifestyle management, DM, or case management then the Contractor will notify the State who may determine that the member will be eligible for the Standard PPO, which has higher premiums, deductibles, and coinsurance; and
- (12) Consistent with Section A.8. informing the member about his/her right to disenroll from the program at any time and how to disenroll, and, for Partnership PPO members the consequences of disenrolling.

h. The Contractor shall comply with the following timeframes for enrollment and the initial post-enrollment contact:

- (1) For the first plan year after go-live:
  - i. The Contractor shall enroll all eligible members who have been identified as high risk (as defined in the Contractor's Proposal in response to RFP #3176-00105 and approved by the State) within three (3) weeks of identifying the member as high risk and shall contact those members within one (1) week of enrolling them in a program; and
  - ii. The Contractor shall enroll all eligible members who have been identified as having a high risk pregnancy within five (5) business days of identifying the member as high risk and shall contact those members within one (1) week of enrolling them in a program.
- (2) After the first plan year:
  - i. The Contractor shall enroll all eligible members who the Contractor identified as high risk within two (2) weeks of identifying the member and shall contact those members within one (1) week of enrolling them in a program; and
  - ii. The Contractor shall enroll all eligible members who have been identified as having a high risk pregnancy within five (5) business days of identifying the member as high risk and shall contact those members within one (1) week of enrolling them in a program.
- i. If the member does not respond to the Contractor's contacts after the initial post-enrollment contact, then the Contractor shall initiate disenrollment pursuant to Contract Section A.8. For this and all required outbound telephone contacts to members, the Contractor shall adhere to the requirements in Section A.15.t., and the Contractor must exhaust efforts required under Section A.15.t before initiating disenrollment. If the

member were subsequently to contact the Contractor, then the Contractor could enroll the member as a self-referral if and as appropriate.

- j. At the member's request, the Contractor shall schedule another time to conduct the enrollment or initial post-enrollment telephonic contact. This request shall be documented by the coach/case manager.
- k. The Contractor shall submit its enrollment procedures, including but not limited to applicable scripts and timeframes for enrolling a member and conducting the first post-enrollment contact, to the State by the date specified in Contract Section A.22. The State reserves the right to review the procedure and may require changes. The Contractor shall notify the State, in writing, thirty (30) days prior to any significant changes to these procedures. The State reserves the right to review the proposed change(s) and require revisions.
- l. The Contractor shall submit program participation reports to the State (see Contract Attachment C).

A.7. Content and Structure of Lifestyle Management, Disease Management (DM), and Case Management Programs.

- a. The Contractor shall provide its lifestyle management, DM, and case management programs as a continuum of services (not separate, distinct programs). The Contractor shall communicate the availability of a continuum of services to members. The Contractor shall avoid any characterization of any of its activities in a way that would lead a participant to consider himself/herself enrolled in a particular program (e.g., lifestyle management, DM, or case management) rather than on the continuum. Based on a participant's needs, the Contractor shall provide services from any and all of the Contractor's programs, regardless of the program in which the participant is actually enrolled.
- b. Each of the Contractor's lifestyle management, DM, and case management programs shall be structured around and integrate nationally recognized, evidence-based and industry best practice consistent with the requirements in Contract Section A.13.
- c. The Contractor shall encourage participants (by way of sending reminders and other methods described in Contract Section A.11.) to complete age- and sex-specific preventive services covered by the Public Sector Plans and to bring preventive services checklists to appointments.
- d. For participants with medical conditions, the Contractor shall provide general health education materials and condition-specific disease information, particularly with respect to preventive care, routine clinical care needs, and "triggers" that might alert a participant to contact their health care provider or health coach/case manager.
- e. The coach/case manager shall ensure that, before seeing a provider, the participant has a checklist tailored to the participant's condition/needs for the participant to take to the appointment, explains how to use the checklist, and encourages the participant to take the checklist with him/her to the provider.
- f. To the extent that the Contractor receives inpatient discharge planning information from the medical TPA or EAP/BHO regarding a specific participant (see Contract Section A.14.h.), the coach/case manager shall contact the participant about his/her follow-up medical or behavioral health appointment, e.g., to make sure that he/she saw the provider and to discuss the provider's diagnosis and recommendations. If the participant is unclear about the provider's diagnosis or recommendations, then the coach/case

manager shall request the participant's permission to clarify either or both with the provider. If the participant so authorizes, then the coach/case manager shall contact the provider using the Contractor's established protocol.

- g. The Contractor shall track and manage each participant's progress against self-defined short-term and long-term goals.
- h. The Contractor shall provide all members, including but not limited to participants, with online (and, if requested by the member, paper) tools that enable the management and documentation of progress against long-term and short-term goals.
- i. The Contractor shall ensure that as a participant's needs change, he/she is transitioned from one program/risk stratification level to another.
  - (1) Specifically, the Contractor shall develop and implement criteria for "graduating" a participant from lifestyle management, disease management, and case management to a different and less intensive level of service on the continuum.
  - (2) If a participant is transitioned from one program to another, the Contractor shall use best efforts to make the process as seamless as possible to the participant. For example, instead of telling the participant that he/she is transitioning from case management to DM, his/her coach should talk with the participant about the change in his/her needs and recommended changes in the type, intensity, and/or frequency of interventions.
  - (3) If necessary to best meet the participant's needs, the Contractor may change the participant's coach/case manager when he/she transitions to another program/risk level.
- j. DM coaches and case managers shall recommend that participants seek care from providers in high performance networks or Centers of Excellence and refer participants to their medical TPAs for additional information.
- k. Unless otherwise directed by the State, at the end of each email or telephone contact, the coach/case manager shall thank the participant for his or her time and shall remind participants in the Partnership PPO that they pay less for health care because of their participation in this health coaching. The State will work with the Contractor to specify the appropriate script for the Contractor's staff to use.
- l. The Contractor shall submit its program descriptions for its lifestyle management, DM and case management programs to the State by the date specified in Contract Section A.22. The State reserves the right to review these program descriptions and require changes. The Contractor shall notify the State, in writing, thirty (30) days prior to any significant changes to these program descriptions. The State reserves the right to review the proposed change(s) and require revisions.
- m. The Contractor shall assign a single lifestyle coach, DM coach, case manager, and/or team, with a team lead, to each participant. For example, if a participant uses tobacco, has hypertension, and qualifies for diabetes DM, the participant's DM coach shall provide and integrate interventions to address all three (3) risk factors.
- n. The Contractor shall make reasonable efforts to accommodate a participant's request to have a male or female coach/case manager.
- o. The Contractor shall establish policies and procedures for assigning coaches/case managers (or teams) for participants enrolled in lifestyle management, a DM program, or

case management, changing coaches/case managers, and notifying participants of such changes.

- (1) The Contractor's policies and procedures shall include criteria for matching coaches/case managers to participants and other factors considered in assigning coaches; how the Contractor ensures continuity of care when coach/case manager changes are made, whether initiated by the participant or by the Contractor; and how the Contractor provides advance notice to the participant of planned coach/case manager changes initiated by the Contractor (e.g., due to staff turnover or a change in the participant's needs).
- (2) The Contractor shall submit these policies and procedures to the State by the date specified in Contract Section A.22. The State reserves the right to review the policies and procedures and require changes. The Contractor shall notify the State, in writing, thirty (30) days prior to any significant changes to these policies and procedures. The State reserves the right to review the proposed change(s) and require revisions.

p. Consistent with the requirements of Contract Section A.14, the Contractor's coaches and case managers shall interact with participants' medical TPAs, the EAP/BHO, the PBM, and other State vendors as necessary to avoid duplication of effort and ensure coordinated and comprehensive care for participants.

q. The Contractor's coaches and case managers shall be able to interact with participants by telephone, email, instant messaging, online, or other electronic means and shall accommodate a participant's preferred means of communication. The Contractor shall ensure that all electronic correspondence is secure and meets HIPAA and other privacy and confidentiality requirements as described in Section A.19.

r. Lifestyle Management

- (1) The Contractor shall provide one-on-one coaching support for each of the following:
  - i. Tobacco use;
  - ii. Weight management;
  - iii. High cholesterol; and
  - iv. Hypertension.
- (2) In order to consider a participant as an "active" participant in lifestyle management for purposes of reimbursement pursuant to Section C.3, the Contractor's lifestyle coaching support shall document a minimum of one (1) completed, interactive contact with the participant every two (2) months, or as often as proposed in the Contractor's Proposal in response to RFP #3176-00105 and approved by the State, whichever is more frequent. The Contractor shall provide more frequent interactive contact than the minimum if needed and/or desired by the participant.
- (3) The Contractor's lifestyle coaches shall work with participants in lifestyle management to establish goals and encourage the use of the online tracking tools.
- (4) "Interactive contacts" shall not include a series of outbound contacts from the Contractor to which the Contractor received no response from the member.

s. Disease Management

(1) Unless otherwise directed by the State, the Contractor shall provide disease management programs for each of the following conditions:

- i. Chronic-obstructive pulmonary disease (COPD);
- ii. Coronary artery disease (CAD);
- iii. Asthma;
- iv. Diabetes;
- v. Congestive heart failure (CHF);
- vi. Musculoskeletal issues (i.e., low back, osteoarthritis);
- vii. Depression; and
- viii. Morbid obesity.

(2) In order to consider a participant as an "active" participant in disease management for purposes of reimbursement pursuant to Section C.3, the Contractor's DM coach shall document a minimum of one (1) completed, interactive contact with the participant every two (2) months, or as often as proposed in the Contractor's Proposal in response to RFP #3176-00105 and approved by the State, whichever is more frequent. The Contractor shall provide more frequent interactive contact than the minimum if needed and/or desired by the participant.

(3) The Contractor shall develop a DM plan for each participant in a DM program. This plan shall serve as the outline for all of the participant's interventions, including the type, intensity, frequency, and content of each intervention provided by the Contractor. The Contractor shall tailor the type, intensity, frequency, and content of a participant's interventions to the participant's needs and the severity and complexity of the participant's condition(s). As applicable, the DM plan shall cross "programs," and the coach shall provide interventions from lifestyle management.

(4) The Contractor shall encourage participant compliance with the DM plan developed by the Contractor as well as treatment recommended by the participant's providers. The Contractor shall implement a policy, prior approved in writing by the State, to address participant non-adherence to the DM plan.

(5) "Interactive contacts" shall not include a series of outbound contacts from the Contractor to which the Contractor received no response from the member.

t. Case Management

(1) In a manner consistent with the Contractor's Proposal in response to RFP #3176-00105 and as approved by the State, the Contractor shall identify and provide case management to members who have high cost conditions (e.g., high risk pregnancy, cancer, kidney disease), members who require high cost procedures (e.g., transplant, bariatric surgery, joint replacement), and other members with multiple, co-morbid conditions.

(2) In order to consider a participant as an "active" participant in case management for purposes of reimbursement pursuant to Section C.3, the Contractor's case managers shall document at least (1) completed, interactive contact with the participant every month, or as often as proposed in the Contractor's Proposal in response to RFP #3176-00105 and approved by the State, whichever is more frequent. The Contractor shall provide more frequent interactive contact than the minimum if needed and/or desired by the participant.

- (3) The Contractor shall develop an individualized plan of care (see definition in Contract Section A.23.) for each participant based on a comprehensive assessment of the participant's needs. The Contractor shall update this plan of care when there are significant changes in the participant's needs and at least annually.
- (4) The Contractor shall encourage participant compliance with the plan of care developed by the Contractor as well as treatment recommended by the participant's providers. The Contractor shall implement a policy, prior approved in writing by the State by the deadline listed in Contract Section A.22., to address participant non-adherence to the plan of care.
- (5) The Contractor shall develop a process, prior approved in writing by the State by the deadline listed in Contract Section A.22., to inform individual providers when their patient has been enrolled in case management.
- (6) "Interactive contacts" shall not include a series of outbound contacts from the Contractor to which the Contractor received no response from the member.

u. The State reserves the authority to "carve-out" one or more life management, DM, or case management modules during the term of this Contract upon a one hundred and twenty (120)-day notice to the Contractor. If the State notifies the Contractor of its intention to exercise this option, the Contractor shall:

- (1) Remain responsible for applicable life management, DM, or case management program(s) up to the effective date of the carve-out of any life management, DM, or case management program;
- (2) Assist the State in transitioning the specified program or module to the vendor identified by the State, which shall include but not be limited to transferring all relevant data to enable the vendor to perform its functions, providing transition support in-person and via telephone, and implementing a process for referral and warm transfer of participants between the Contractor and the vendor with associated tracking and reporting; and
- (3) Provide appropriate supports and services for those participants who may also have a comorbidity for which the Contractor has a disease management program or if the participant is eligible for case management services.

In the event of a carve-out, the Contractor shall for the duration of this contract transfer to the appropriate State vendor any inbound calls from members who wish to speak with a health coach related to a "carved out" program. The Contractor shall use best efforts to make the process as seamless as possible to the participant and shall not communicate any message that the participant is served by a different, program, entity, or vendor. The Contractor's communications should treat all carve-out programs as an integrated component of the continuum of health management and wellness services.

**A.8. Disenrollment from Lifestyle Management, Disease Management, or Case Management.**

- a. Participants may request to disenroll from lifestyle management, a DM program, or case management at any time for any reason. However, if an adult head-of-household or adult spouse who is a participant in the Partnership PPO requests disenrollment, the Contractor shall inform him/her of the consequences of disenrolling (i.e., in accordance with State policy, he/she may be disenrolled from the Partnership PPO and enrolled in the Standard PPO, which has higher premiums, deductibles, and coinsurance). Unless otherwise directed by the State, the Contractor shall notify the State if an adult head-of-household or

adult spouse who is a participant in the Partnership PPO has requested disenrollment and shall not disenroll the participant until prior approved in writing by the State.

- b. The Contractor shall track all voluntary disenrollments and the participants' reason(s) for requesting disenrollment and shall submit a report on voluntary disenrollments to the State (see Contact Attachment C). In addition, the Contractor shall submit to the State a monthly file in the format specified by the State with information on participants who signed the Partnership Promise and are disenrolling (as prior approved by the State) from lifestyle management, DM, or case management. This requirement does not include participants who have graduated or who have transitioned to another program.
- c. The Contractor shall suspend a participant's enrollment in lifestyle management or DM if the participant is admitted to a custodial care facility, a psychiatric facility for a long-term stay, or to hospice care. The Contractor shall not suspend a participant's enrollment in case management but may reduce the frequency of interactions until such time as discharge planning commences.
- d. The Contractor may request disenrollment of a participant if the participant demonstrates a pattern of disruptive or abusive behavior or non-compliance that is not caused by the condition for which he or she is a participant, and the Contractor has used best efforts to address the issue. Prior to disenrolling a participant, the Contractor shall send written notice to the participant notifying him/her that if the participant does not change his/her behavior or comply with the applicable intervention(s) within thirty (30) days, the Contractor shall request that the State disenroll him/her; and, as applicable to Partnership PPO members, the consequences of being disenrolled. If there is no change within the thirty (30) day period and the member does not grieve the proposed disenrollment (see Contract Section A. 9.), or the member files a grievance and the decision is upheld, the Contractor shall submit a request to disenroll a participant from lifestyle management, DM, or case management to the State in the format specified by the State. Unless otherwise directed by the State, the Contractor shall not disenroll a participant until prior approved in writing by the State.
- e. The Contractor shall have a process, prior approved in writing by the State by the deadline listed in Contract Section A.22., for re-engaging members who disenroll from lifestyle management, DM or case management.

A.9. Member Services.

- a. All member services representatives handling inquiries related to this Contract shall be familiar with the terms and provisions of this Contract. The member services representatives shall also have basic knowledge about the benefits and services provided by other State vendors, including the medical TPAs, EAP/BHO, and PBM, including services for which each vendor is responsible and contact information for each vendor.
- b. During normal business hours, the Contractor's member services representatives shall be dedicated to this Contract. If the Contractor receives prior, written approval from the State, then the Contractor may use a "designated" call unit (as opposed to a "dedicated" call center) provided that the unit could meet all other call center standards defined in this Contract.
- c. The Contractor shall have sufficient staff to respond to inquiries, correspondence, complaints, and problems. Responsibilities include, but are not limited to, scheduling health screening appointments, assisting members with completing the health questionnaire, explaining the types of information available on the member website/portal, making referrals to other State vendors, and answering questions regarding eligibility for the continuum of services (e.g. lifestyle management, DM and case management) that

the Contractor provides. The Contractor shall not answer technical questions regarding the State's eligibility policy to enroll in the Public Sector Plans (which is governed by Article III of the Plan documents) and shall refer these questions to the State's Benefits Administration Service Center staff.

- d. The Contractor shall have and implement procedures for monitoring and ensuring the quality of services provided by its member services representatives, including but not limited to services provided by call center and nurse advice line staff. The Contractor shall submit these procedures for review and approval by the date specified in Contract Section A.22. Such procedures may include but are not limited to the following activities:
  - (1) Auditing calls/correspondence for each member services representative;
  - (2) Silent monitoring of calls;
  - (3) Recording calls for quality and training purposes;
  - (4) Skill refresher courses; and
  - (5) Call coaching.
- e. Working in conjunction with the State, the Contractor shall set standards for customer satisfaction for member services representatives based upon, but not limited to, an evaluation of the following areas: documentation, greeting, courtesy, responsiveness, explanation and guiding techniques, and accuracy. Adherence to the standards shall be measured, monitored and reviewed by the Contractor each month. Unless otherwise directed by the State, the Contractor shall report monthly results to the State.
- f. The Contractor shall provide a personalized response, in writing, to ninety-five percent (95%) of written (mail or email) inquiries from members concerning requested information within five (5) business days and one hundred percent (100%) within ten (10) days. The Contractor shall acknowledge receipt of email inquiries within one (1) business day and reply within the same time frame established for standard mail.
- g. The Contractor shall designate a client service liaison to respond to member-related issues identified by the State. For matters designated as urgent by the State, the Contractor shall contact the member and resolve the issue and then notify the State of the resolution.
- h. Member Complaint and Grievance Process
  - (1) The Contractor shall maintain a procedure for resolving complaints informally by phone.
  - (2) The Contractor shall maintain a grievance process by which members may file grievances, e.g., that the member is not receiving applicable interventions or the member has received a notice that the Contractor is planning to disenroll the member (see Contract Section A.8.). Grievances shall be reviewed by a committee designated by the Contractor.
  - (3) At least one (1) month prior to the go-live date, the Contractor shall provide the State two (2) written copies describing in detail the Contractor's grievance process and procedures along with a sample determination letter. The State reserves the right to review the grievance process and procedures and letter and require changes, where appropriate.
  - (4) The Contractor shall submit quarterly grievance reports with information regarding each grievance filed with the Contractor (see Contract Attachment C).

- (5) The Contractor shall provide the State with copies of requested grievance files within five (5) business days of the State's request.
- (6) Any time a member files a grievance, the Contractor shall ensure that all records and information related to the grievance are preserved for the greater of (a) one (1) year following the conclusion of the grievance process, including any external process and (b) any longer period required by other provisions of this Contract or state or federal law.
- (7) The Contractor shall include notification of the member's right to file a grievance in any notice of disenrollment. The text and format of this notice is subject to prior written approval from the State.
- (8) The Contractor shall designate the manner by which a member may file a grievance. The Contractor may require the member to submit a written request or to complete and submit a "member grievance form" or other designated form. If form(s) are required, the Contractor will make such forms available on its website at all times and by mail within five (5) business days upon request of the member.
- (9) The Contractor shall allow a member to initiate a grievance if the member files the grievance within one (1) month of the member's date of disenrollment from lifestyle management, DM , or case management or within one (1) month of the event or decision that gave rise to the member's concern.
- (10) The Contractor shall complete review of grievances regarding disenrollment and issue a written decision to all parties involved within two (2) weeks of receipt. For all other grievances the Contractor shall complete review and issue a written decision within one (1) month of receipt.

A.10. Member Services Call Center and Nurse Advice Line.

- a. General Requirements
  - (1) The Contractor is responsible for operating a member services call center and 24-hour nurse advice line (hereafter referred to as call centers unless otherwise indicated) to provide customer service and nurse advice to members. The Contractor shall have a dedicated toll-free telephone number for the member services call center and a separate dedicated toll-free number for the nurse advice line. After regular business hours the member services call center message shall inform callers of the nurse advice line number, when to call that number (e.g., for after-hours triage), and provide the caller the option to directly connect to the nurse advice line.
  - (2) The dedicated toll-free numbers shall become the property of the State of Tennessee upon termination of this Contract. The Contractor shall transfer said numbers to the State at no cost to the State such that the State or its designee can maintain these same numbers for continuous, uninterrupted use by members needing assistance with health management and wellness services after the termination of this Contract.
  - (3) The Contractor's call centers shall be equipped with TDD (Telephone Device for the Deaf) in order to serve the hearing impaired population.
  - (4) The Contractor's call centers and representatives shall be located in the continental United States.

- (5) The Contractor's call centers shall be open and staffed with trained personnel as of the date specified in Contract Section A.22.
- (6) The Contractor shall have the ability to make outbound calls without interrupting the ability of callers to continue to access the call centers.

b. Member Services Call Center

- (1) The Contractor's member services call center shall at minimum accept calls Monday through Friday, for a continuous 12-hour period beginning no later than 8:00 a.m. Central Time except on official State Holidays. The Contractor's hours of operations are subject to prior State approval.
- (2) The Contractor shall provide oral interpretation services via a telephone interpretation service free of charge to callers with limited English proficiency.
- (3) The Contractor's member services call center staff shall assist members, as requested, with, for example, scheduling health screens and completing the registration form and health questionnaire, explaining the types of information available on the Contractor's member website/portal, making referrals to other State vendors, answering questions about the continuum of services (e.g. lifestyle management, DM and case management) that the Contractor provides.
- (4) Member services representatives shall provide "warm" transfers to callers seeking triage, health information, and/or health care decision support to the nurse advice line.
- (5) Member services representatives shall provide "warm" transfers of callers to the member's coach/case manager when indicated. Member services representatives shall also direct members to the coach/case manager's voice mail if preferred or transfer a member to another coach/case manager if requested.
- (6) Member services representatives shall transfer calls to the State and its vendors, including the member's medical TPA, the EAP/BHO, and the PBM, as appropriate.
- (7) The Contractor shall have policies and procedures related to the operation of the member services call center. These policies and procedures shall be submitted to the State for review and prior approval on or before the date specified in Contract Section A.22.

c. Nurse Advice Line

- (1) The Contractor's nurse advice line shall be available to members twenty-four (24) hours a day, seven (7) days a week including official State Holidays.
- (2) The Contractor's nurse advice line shall provide symptom triage, health information and health care decision support to members. With respect to health decision support:
  - i If the member is in need of emergency services, the nurse shall provide key information about the emergency room(s) closest to the member's current location and to 911 if an ambulance or emergency medical technician or paramedic may be required.

- ii If a member is in need of urgent but non-emergent care, then the nurse shall provide key information about the closest urgent care clinic(s) and emergency room(s) closest to the member's current location.
- iii If the member is in need of after-hours, non-emergent primary care, then the nurse shall provide key information about the closest convenience clinic or other after-hours primary care provider(s) closest to the member's current location.

(3) The Contractor's nurse advice line staff shall provide any notes taken during a call to the member's coach/case manager. If applicable, the Contractor's nurse advice line staff shall provide any notes or information to the member's medical TPA, the EAP/BHO, or the PBM.

(4) Consistent with Section A.16.d, all nurse advice line nurses shall be, at minimum, registered nurses (RNs).

(5) The Contractor shall provide oral interpretation services via a telephone interpretation service free of charge to callers with limited English proficiency.

(6) The Contractor shall have policies and procedures related to the operation of the nurse advice line. These policies and procedures shall be submitted to the State for review and prior approval by the date specified in Contract Section A.22.

d. Member Services Call Center and Nurse Advice Line Performance Requirements

(1) The Contractor shall report the extent to which its call center operations comply with each of the following performance metrics:

- i. The Contractor's call centers shall answer, by a person, one hundred percent (100%) of calls within five (5) minutes (300 seconds).
- ii. The Contractor's call centers shall maintain an average seconds to answer (ASA) of less than one (1) minute (60 seconds) and after answering the call the Contractor may only put callers on hold in order to (a) make outbound calls as necessary or (b) to research a caller's issue.
- iii. The Contractor's call centers shall maintain a blocked call rate of less than one percent (1%) per each three-hour continuous period each day.
- iv. The Contractor's call centers shall maintain an abandoned call rate of not more than three percent (3%) for each respective morning, mid-day, and evening period.

(2) The Contractor shall calculate each performance measure for three (3) continuous periods of equivalent length during the normal business hours of each business day for the member services call center and at any time during the twenty-four (24) hour period for the nurse advice line (this continuous period shall not be at the same time every day).

(3) The Contractor shall provide statistics related to the performance standards above for both the member services call center and nurse advice line to the State on a daily basis starting on December 1, 2010 through the sixty (60) days after the go-live date. The Contractor shall also submit, by the first business day of each week, a report with data for the preceding week, and by the fifth business day of the month, a summary report with data for the preceding month. The monthly report shall include weekly and monthly data. (See Contract Attachments B and C.)

e. Member Services Call Center and Nurse Advice Line System Requirements

- (1) The Contractor's call centers shall have call management systems and communications infrastructure that can manage the potential call volume and achieve the performance standards described in this Contract.
- (2) The Contractor's call management systems shall be scalable and flexible so they can be adapted as needed, within negotiated timeframes where applicable, in response to program, benefit, or enrollment changes.
- (3) The Contractor's call management systems shall be equipped with caller identification. In addition, the Contractor's call center shall adopt caller identification for itself that is prior approved in writing by the State.
- (4) The Contractor's call management systems shall provide greeting messaging when necessary. The Contractor may play music and/or messages prior approved by the State for the callers while they are on hold and shall play messages as directed by the State. The Contractor shall not play advertising or informational messages for callers while they are on hold unless prior approved in writing by the State (or the State directs the Contractor to play certain messages). Additionally, the Contractor's systems shall provide a message that notifies callers that calls are being recorded and may be monitored by the Contractor for quality control purposes.
- (5) The Contractor's call management system shall record and index one hundred percent (100%) of calls during the first three (3) months of the contract term such that the Contractor can easily retrieve recordings of individual calls based on the phone number of the caller, the caller's name, the date/time of the call, or the member services representative who handled the call. The Contractor shall be able to provide a full recording of each call upon the State's request, using only the member's name or identifier to locate the call(s). Commencing with the fourth month of the Contract term, the Contractor shall record either ten percent (10%) of all calls or a statistically valid sample of calls. The determination of which standard will apply remains at the discretion of the State.
- (6) The Contractor's call management systems shall facilitate the processing of all calls received and assign incoming calls to available member services representatives/nurses in an efficient manner. The system shall transfer calls to other telephone lines as necessary and appropriate, including transfers to other vendors (e.g., a medical TPA, EAP/BHO, or PBM).
- (7) The Contractor may use an automated interactive voice response (IVR) system for managing inbound calls, provided that the caller always has the ability to leave the IVR system and wait in queue in order to speak directly with a live-voice member services representative/nurse during business hours rather than continue through additional prompts. The Contractor shall not have more than one (1) level of menu choices (limited to five (5) options) unless prior approved in writing by the State. The Contractor's decision tree and menu are subject to State review and prior written approval.
- (8) The Contractor shall inform callers of their likely wait times (based on real-time information, including call volume and member services representative/nurse availability) as they enter the queue. The Contractor shall also provide a "dial back" option that allows callers to receive a call back from the next available member services representative. Note that calls receiving a call back pursuant to this provision are not counted as "abandoned."

(9) The Contractor shall have the ability to allow third parties (the State or its authorized representative) to monitor calls from a remote location. Additionally, the Contractor's call management systems shall be able to record calls for monitoring.

(10) The call management systems shall enable the logging of all calls, including:

- i. The caller's identifying information (e.g., employee ID);
- ii. The call date and time;
- iii. The reason for the call (including a reason code using a coding scheme prior approved by the State in writing);
- iv. The member services representative/nurse that handled the call;
- v. The length of call; and
- vi. The resolution of the call (including a resolution code using a coding scheme prior approved by the State in writing) (and if unresolved, the action taken and follow up steps required).

(11) Additionally, the call management systems shall maintain a history of correspondence and call transactions for performance management, quality management and audit purposes. This history shall contain the actual information, a date/time stamp that corresponds to when the transaction took place, the origin of the transaction (e.g., the State and/or one of its authorized representatives or the member), and the member services representative/nurse that processed the transaction. Related correspondence and calls shall be indexed and properly recorded such that they can be treated in reporting and analysis as part of a distinct transaction.

**A.11. Member Education and Outreach.**

- a. The Contractor shall, in consultation with and following written approval by the State, conduct member education and outreach.
- b. The Contractor shall not develop or distribute general newsletters for members. Rather, the Contractor shall provide text and accompanying graphics, if applicable, for the State's communications to members.
- c. The Contractor shall send to each Partnership PPO member at the beginning of the Annual Enrollment Transfer Period or Open Enrollment (whichever is applicable in that year) a notice as to whether the member has completed the requisite components of the Partnership Promise and is therefore eligible to re-enroll in the Partnership PPO. This notice shall be subject to prior approval by the State.
- d. The Contractor shall develop all member materials in conformance with the style, formatting, and other related standards developed by the State and its marketing staff. The Contractor shall also ensure continuity of the State's "ParTNers for Health" branding across all education and outreach materials, website, and any other communications information. This branding shall include, but is not limited to, use of the "ParTNers for Health" logo, color scheme and applicable taglines. All uses of these branding elements shall be subject to prior approval by the State.
- e. Unless prior approved in writing by the State, the Contractor shall not include its brand or other information on any individualized member materials. Rather, such materials shall reflect the State's "ParTNers for Health" brand. With respect to pre-printed, large-volume stock materials, the Contractor may include its brand provided that it also includes the "ParTNers for Health" logo and receives prior approval from the State.

- f. Unless otherwise specified in this Contract, the Contractor shall be responsible for all costs related to the design, development and, revision, of all education and outreach materials in the Contractor's Proposal in response to RFP #31786-00105 and approved by the State. The Contractor shall ensure that up-to-date versions of all printed education and outreach materials can be downloaded from its website (except that a print-friendly health questionnaire shall not be available on the website).
- g. As part of its submission to the State, the Contractor shall specify whether the materials will be sent by email or regular mail. If mailings are prior approved by the State, the State shall pay the postage, printing and production costs of such mailings pursuant to Contract Section C.3.f.
- h. The Contractor shall have the exclusive responsibility to write, edit, and arrange for clearance of materials (such as securing full time use of a stock photograph used in brochures for perpetuity) for any and all education and outreach materials within the applicable timeframe.
- i. The Contractor shall ensure that its education and outreach materials are culturally sensitive and professional in content, appearance, and design.
- j. The Contractor shall, to the extent practicable, use relatively large and legible fonts in its education and outreach materials. Additionally, the Contractor shall make maximum use of graphics to communicate key messages to populations with limited literacy or limited English proficiency. The Contractor shall also prominently display the Contractor's telephone number and hours of operation for the member services call center and nurse advice line in large, bolded typeface on all education and outreach materials.
- k. Unless otherwise prior approved in writing by the State, the Contractor shall design all printed education and outreach materials at the sixth (6.0) grade reading level or lower using the Flesch-Kincaid Index or other suitable metric that the State prior approves in writing. The Contractor shall evaluate materials using the entire text of the materials (except return addresses). When submitting draft materials to the State for approval, the Contractor shall provide a reading level analysis and certification of the reading level of each piece of material.
- l. The Contractor shall provide electronic templates of all finalized education and outreach materials in a format that the State can easily alter, edit, revise, and update. Absent gross negligence or malfeasance by the Contractor, the Contractor has no liability for errors on other deliverables that the State did not find or correct before giving final approval for the individual materials. However, the Contractor shall produce corrected versions of the individual materials at the State's direction. Costs incurred by the Contractor for producing and mailing corrected versions of materials as directed by the State shall be paid by the State pursuant to Contract Section C.3.e.
- m. The Contractor covenants that all education and outreach materials distributed to members and prepared or produced by the Contractor are accurate in all material respects. Unless otherwise directed by the State, the Contractor shall seek and obtain prior written authorization from the State before using or disseminating any general (non-individualized) member communications, notices, and education and outreach materials.
- n. On an annual basis, at least two (2) months prior to the State's Annual Enrollment Transfer Period or Open Enrollment Period (whichever is applicable in that year), the Contractor shall provide to the State, in both hard copy and electronic format, information requested by the State, which shall include but not be limited to toll-free member services and nurse advice line numbers, website address, website logon information, a

confidentiality statement, procedures for accessing services, and other updates and/or changes that may be helpful to potential members.

- o. By the date specified in Contract Section A.22., the Contractor shall provide a brief summary of the health questionnaire and the services (including but not limited to member website/portal, lifestyle management, DM and case management) available to members from the Contractor. The State will include this information in the Member Handbook, which it distributes each year to all members.
- p. At the State's request, the Contractor shall notify members, in writing, of any benefit or service changes no less than thirty (30) days prior to the implementation of the change. Postage and production costs incurred by the Contractor, which are the direct result of communications requested by the State for benefit changes that have been initiated by the State, shall be paid by the State pursuant to Contract Section C.3.f.
- q. Unless otherwise directed by the State, the Contractor shall print and distribute any mass mailings developed by the State within seven (7) business days of receiving the text from the State. The State will pay for printing and mailing these materials pursuant to Contract Section C.3.f. The State is willing to consider a mutually agreed upon process that incorporates content, branding, and legal review.
- r. The Contractor shall develop and implement an annual plan to distribute preventive health messaging for members. This plan shall include:
  - (1) Monthly preventive health messages that focus on a specific condition or service (unless otherwise directed by the State). These preventive health messages shall be provided to all members and shall provide actionable steps and practical tips as to how members can take steps for themselves and how members can support families, friends and co-workers who might have the condition or need the service in question;
  - (2) Monthly targeted messages designed for members who have the condition or need the particular service (based on information provided by the State);
  - (3) Periodic, population-based messages;
  - (4) Reminders regarding preventive services;
  - (5) A description of when email will be used and when postcards or other print media will be employed; and
  - (6) Weekly "Tip of the Week" emails to all members in accordance with current State practice.

The Contractor shall submit the plan for the first plan year for review and prior approval by the date specified in Contract Section A.22.

- s. The Contractor shall develop and implement four (4) seasonal "Wellness Challenges." These challenges shall cover topics such as weight loss, smoking cessation, weight maintenance and exercise. The Contractor shall be responsible for organizing online events and developing messaging and communications for these challenges consistent with the approach described in the Contractor's Proposal in response to RFP #3176-00105 and approved by the State.
- t. The Contractor shall develop and distribute awareness materials, including but not limited to posters and give-aways of nominal value, regarding seminal events such as the Great American Smoke-Out and National Depression Screening Day.
- u. The Contractor shall, in conjunction with the State, the medical TPAs, and the EAP/BHO, develop and implement a broad-based communications campaign to promote the importance of seasonal and other flu and pneumococcal immunizations. One of the

monthly preventive health messages during the autumn months (September, October or November) shall be focused on this issue.

- v. At the request of the State, the Contractor shall use its email distribution list and automated outbound or robo phone tree (if the Contractor uses a robo phone tree) to distribute any messages and/or materials to members. The Contractor shall distribute these messages and/or materials within one (1) business day of said request. The Contractor shall have the ability to limit the distribution of these messages by head-of-contract, employee, or spouse, PPO Grand Division, sex, age, PPO benefit option (Partnership PPO or Standard PPO), Public Sector Plan type, budget object code, information from the health questionnaire (e.g., smokers) or information from the health screen (e.g., those with high cholesterol) at the request of the State.
- w. The Contractor shall develop "Take This to Your Doctor" checklists for members to use for appointments with providers. These checklists shall vary by age group, sex, and general type of visit and shall include, but not be limited, to items to bring to the appointment, what to expect during the appointment, and questions to ask the provider. These checklists shall be available on the Contractor's member website/portal. The Contractor shall submit sample checklists for review and approval by the State by the date specified in Contract Section A.22.
- x. The Contractor shall not use a robo phone tree without the prior approval of the State. The Contractor shall seek separate State approval for each round or series of calls.

A.12. Website/Portal.

- a. The Contractor shall maintain a website/portal dedicated to and customized for this Contract. The design of the website/portal, inclusive of the site map, page layout, color/font scheme and branding, static content and any documents which can be accessed via or downloaded from the website/portal, must be prior approved in writing by the State. Additionally, the Contractor shall obtain prior, written approval from the State for any links from the site to an external (governmental and non-governmental) website/portal or webpage.
- b. The website/portal shall be fully operational, with the exception of member data/Protected Health Information, on or before the date specified in Contract Section A.22.
- c. The Contractor shall update content and/or documents posted to or accessed via the website/portal within five (5) business days of the State's approval of changes to said content and/or documents.
- d. In association with the State's Annual Enrollment Transfer Period or Open Enrollment Period (whichever is applicable in that year), the Contractor shall provide all information pertinent to each new plan year on the website/portal by the first day of said period.
- e. The Contractor shall submit to the State a website/portal design specifications document, inclusive of a comprehensive site map, page design documentation including "screenshots" of all pages, all links to external sites (governmental and non-governmental) and all static content and documents associated with release # 1 of the website/portal, for review and approval by the date specified in Contract Section A.22.
- f. The Contractor shall host the website/portal on a non-governmental server which shall be located within the United States.
- g. The Contractor shall ensure that the website/portal meets all of the capacity, availability, performance and security requirements outlined in Contract Sections A.17. and A.19.

- h. The Contractor shall obtain and pay the cost of the domain name for the website/portal. The Contractor shall transfer ownership of the domain name to the State upon termination of this Contract without delay and at no cost to the State.
- i. To ensure accessibility among persons with a disability, the Contractor's member website/portal shall comply with Section 508 of the Rehabilitation Act of 1973 (29 USC Section 794d) and implementing regulations at 36 CFR 1194 Parts A-D.
- j. At a minimum the website/portal shall contain:
  - (1) A home page with general information about health management and wellness services;
  - (2) Frequently asked questions (FAQs) and answers to said questions;
  - (3) Patient decision aids, including information on DVDs available to members and how to request them;
  - (4) Member-oriented educational and outreach materials including information about specific health management and wellness services available to members;
  - (5) Information about how to access Contractor services;
  - (6) Information on employment worksite screening events and appointment scheduling functionality;
  - (7) The health questionnaire, as described and required under Contract Section A.4, which shall include: (a) a view-only version for members and (b) a live, interactive version that members can complete online, the results of which shall be submitted electronically as structured data to the Contractor;
  - (8) The physician screening form;
  - (9) Evidence-based practice guidelines applicable to the Contractor and
  - (10) A member-specific portal which members can access securely and confidentially via specific member accounts and in which members can:
    - i. Obtain information specific to their situation (e.g., a member in a DM program would be able to access information specific to the member's condition as well as the activities with which they need to comply) including individualized feedback to members who complete the health questionnaire;
    - ii. Complete the online registration form which shall be required for all Partnership PPO members and any Standard PPO member enrolled in lifestyle management, DM or case management. The content of the form will be provided by the State but, at a minimum, the form will have fields for members to provide contact information, preferred method of receiving wellness score/risk assessment and other information, and primary provider(s) name(s) and contact information. This functionality shall be available by the date specified in Contract Section A.22;
    - iii. View and make changes to their health questionnaire;
    - iv. Communicate with coaches/case managers;
    - v. Journal and track activities, nutrition and diet; and
    - vi. Track and monitor wellness points at such time as the State directs the Contractor to implement a system by which members can accumulate points for verifiable and non-verifiable health and wellness activities.
- (10) A secure vehicle through which members can post questions to the Contractor, the Contractor can answer said question, and the Contractor can push relevant information, event updates and event reminders to specific groups of members or to a specific member; this functionality could be part of the functionality described in (9) above; and

(11) Contact information, including mail, email, member services and nurse advice line telephone numbers, and fax number for the Contractor.

k. The Contractor's member website/portal shall be available as specified in Contract Section A.17.

l. The Contractor shall allow member to register online beginning on the first day that the website/portal is available and shall encourage members to complete their first-year registration by February 14<sup>th</sup>. For purposes of registration, the Contractor shall require members to confirm their understanding of their obligations under the Partnership Promise as well as the lower out-of-pocket costs that they will face under the Partnership PPO.

**A.13. Quality Assurance Program.**

a. The Contractor shall maintain a comprehensive quality assurance program with prospective, concurrent, and retrospective review and monitoring programs in order to ensure the delivery of high-quality services to members.

b. Whenever the Contractor identifies a potential quality issue, the Contractor shall conduct appropriate follow-up, including taking corrective action as necessary to remedy a deficiency.

c. The Contractor's quality assurance program shall include process and outcomes measurement, evaluation, and management for each program (lifestyle management, disease management, and case management). This shall include but not be limited to: (1) measuring the percent and numbers of members who graduate from each program; (2) measuring the percent and numbers of members who show behavioral changes in accordance with their goals; and (3) the use of specific clinical indicators to measure improvements in health outcomes for members receiving lifestyle management, disease management, or case management. As part of its quality assurance program, the Contractor shall ensure that programs are continuously updated to include nationally recognized, evidence-based and industry best practices.

d. The Contractor shall, as part of its quality assurance program, audit at least annually the level and intensity of active participation and retention rates of members in DM and case management and implement methods to improve these rates.

e. The Contractor shall, as part of its quality assurance program, remain current on evidence-based and emerging best practices and activities and incorporate these activities and practices into the health management and wellness activities performed under this Contract.

f. The Contractor shall offer exit surveys to all members who attend an employment site health screening event. The survey instrument shall be prior approved by the State in writing by the deadline listed in Contract Section A.22. The Contractor shall submit a report to the State summarizing the methodology and results and identifying any activities to increase member satisfaction with the process (see Contract Attachment C.). The Contractor shall also forward to the State any survey that identifies or explains any specific complaints or concerns within five (5) business days of receiving the survey. The Contractor shall also identify any corrective actions that have been or will be put in place to address the complaint or concern.

g. The Contractor shall conduct a random phone-based, automated survey of participants in each program (lifestyle management, DM, and case management). This survey may also be offered at the end of coaching/case management calls. The survey shall collect

satisfaction information on overall program services, ease of administration, overall program quality, coaches/case managers, usefulness of information, effectiveness of adherence to treatment, assistance in self-management plans, and whether they would recommend the program to others. The survey tool and methodology shall be prior approved by the State in writing by the deadline listed in Contract Section A.22. The Contractor shall submit a report to the State summarizing the methodology and results and identifying any activities to increase satisfaction with each program (see Contract Attachment C.).

- h. The Contractor shall obtain (if it does not already have) provisional accreditation from the National Committee on Quality Assurance (NCQA) for each of its DM programs within one (1) year of the Contract start date. Unless otherwise directed by the State, the Contractor shall obtain (if it does not already have) full accreditation from NCQA for each of its DM programs by December 31, 2012 and shall retain it thereafter for the full term of this Contract. Specifically, the Contractor shall have accreditation with performance monitoring under NCQA's Patient & Practitioner Oriented Accreditation program.
- i. The Contractor shall obtain (if it does not already have) accreditation from URAC (formerly known as the Utilization Review Accreditation Commission) for its case management program by December 31, 2011. The Contractor shall retain the accreditation thereafter for the full term of this Contract
- j. The Contractor shall submit its proposed quality assurance program to the State by the date specified in Contract Section A.22. The State will review the program, meet with the Contractor, and may require changes. The Contractor shall notify the State, in writing, within thirty (30) days of any significant changes to its quality assurance program. The State reserves the right to review the change and require changes, where appropriate.

A.14. Coordination and Collaboration

- a. The Contractor shall coordinate with all other State vendors, including but not limited to the medical TPAs, the PBM, and the EAP/BHO vendor as necessary to ensure that members receive appropriate services. This coordination shall include, but is not limited to making referrals, providing information, and attending and participating in meetings.
- b. Consistent with Section A.18, the Contractor shall transmit electronic files to the PBM and the medical TPAs that identifies those members who have been enrolled in lifestyle management, disease management, or case management. The Contractor shall develop and transmit files specific to each medical TPA such that only the members enrolled in that TPA are identified to that TPA.
- c. Unless otherwise directed by the State, the Contractor shall ask the participant during the first coaching call (for lifestyle management, disease management, and case management) questions about the participant's emotional well being and, if the participant meets the State-approved criteria for referral for EAP or BHO services, then the Contractor shall provide a "warm" transfer to the EAP/BHO.
- d. The Contractor shall notify the EAP/BHO if a member is enrolled in or receiving DM services for depression and shall coordinate services with the EAP/BHO. If a member eligible for DM services for depression also has a current or past diagnosis indicating that the member has serious or persistent mental illness or if the member has had an inpatient admission for a behavioral health condition within the past two (2) years, the Contractor shall consult with the EAP/BHO case management program may be more appropriate. If the Contractor and the EAP/BHO agree that the EAP/BHO case management is more appropriate, then the Contractor shall refer the member to the EAP/BHO and shall not be responsible for providing DM services for depression.

- e. The Contractor shall have a process in place to follow-up with members regarding information that the Contractor receive from the medical TPA, including but not limited to information that a member has been admitted to an inpatient hospital, rehabilitative facility, or skilled nursing facility, or has been authorized to receive a transplant or bariatric surgery. For example, if a medical TPA notifies the Contractor that a member has been admitted to an acute care or psychiatric hospital, the member's coach/case managers shall contact the member. If the member is not enrolled in lifestyle management, DM, or case management and the member's primary or secondary diagnosis suggests that such a program may be indicated, then a coach/case manager shall contact the member to determine whether he/she should be enrolled in lifestyle management, DM, or case management (see Contract Section A.6.).
- f. The Contractor shall coordinate with the medical TPAs in the development of facility discharge plans to ensure appropriate health management and wellness activities are included in the discharge plans. The Contractor shall ensure that the member's coach/case manager has a copy of the discharge plan in the member's file.
- g. Meetings
  - (1) The Contractor shall attend ongoing monthly operational meetings according to the State-specified schedule. If necessary, the State may require more frequent meetings. Such meetings shall be either by phone or onsite at the offices of the State of Tennessee in Nashville, TN, as determined by the State, and shall include the Account Manager and appropriate staff. Any costs incurred by the Contractor as a result of a meeting with the State shall be the responsibility of the Contractor.
  - (2) The Contractor, at the request of either party, shall meet with representatives of the State periodically, but no less than quarterly, to discuss any problems and/or progress on matters outlined by the State. The Contractor shall have in attendance the staff requested by the State, which may include a Program Director and representatives from the Contractor's organizational units required to respond to topics indicated by the State's agenda. The Contractor shall provide information to the State concerning its efforts to engage members and improve administrative activities, as well as trends in the provision of health management and wellness benefits. These meetings will take place at the State of Tennessee offices in Nashville, TN. However, at its discretion, the State may allow the Contractor to participate in such meetings by teleconference.
  - (3) The Contractor shall be responsible for conducting three (3) seminars per year, each of which shall be approximately one (1)-hour in length, on topics to be determined in collaboration with the State. The audience shall be other Public Sector Plan representatives, State staff, and other appropriate individuals as determined and requested by the State.
  - (4) The Contractor shall attend the annual State-sponsored vendor summit with representatives from the State, the medical TPAs, the PBM, and the EAP/BHO. The purpose of the vendor summit is to identify issues, develop solutions, share information, leverage resources, and discuss and develop policies and procedures as necessary to ensure collaboration among vendors and the State.
  - (5) Unless otherwise directed by the State, qualified members of the Contractor's clinical staff shall participate in weekly conference calls with the medical TPAs, the PBM, and the EAP/BHO vendor to address issues or concerns regarding individual members, particularly members with complex needs. In preparation for

each call, the Contractor shall identify members and their issues/concerns, provide applicable documentation, including clinical information to the appropriate vendors, and develop recommendations for resolving the issue/concern. A medical TPA, the PBM, the EAP/BHO vendor, and/or the State may also identify members, and the Contractor shall develop draft recommendations for resolving the issue/concern if applicable.

- (6) Unless otherwise directed by the State, qualified members of the Contractor's staff shall participate in monthly conference calls with the State and representatives from the medical TPAs, the EAP/BHO vendor, and/or the PBM.
- (7) Unless otherwise directed by the State, qualified members of the Contractor's staff shall participate in quarterly meetings with the State and representatives from the medical TPAs, the EAP/BHO vendor, and the PBM, to improve coordination of their services to members.

h. The Contractor shall develop and implement a process to receive inpatient discharge planning information from the medical TPAs and EAP/BHO regarding specific members. The Contractor's process is subject to prior approval by the State.

**A.15. Administrative Services.**

- a. The Contractor, upon request by the State, shall review and comment on proposed revisions to the health management and wellness benefit in the Public Sector Plans. When so requested, the Contractor shall comment in regard to:
  - (1) Industry practices;
  - (2) The overall cost impact to the Public Sector Plans;
  - (3) Impact upon the Contractor's performance;
  - (4) Necessary changes in the Contractor's reporting requirements; and/or
  - (5) System changes.
- b. The Contractor shall provide advice and assistance with questions related to the scope of health management and wellness activities as requested by the State, medical TPAs, the EAP/BHO, the PBM, members, and providers.
- c. The Contractor shall serve as a subject-matter resource by responding to specific inquiries from and by providing information to the State on emerging best practices and applicable existing and proposed Federal and State laws and regulations that affect health management and wellness programs.
- d. The Contractor shall assist the State, if requested, in the education and dissemination of information regarding the health management and wellness activities available to all members in the Public Sector Plan(s). This assistance may include but not be limited to:
  - (1) Written information;
  - (2) Audio/video presentations;
  - (3) Attendance at meetings, workshops, and conferences; and
  - (4) Training of State staff and other persons on Contractor's procedures.

Any onsite visits to member agencies shall require the prior approval of the State.

- e. The State shall determine all policies and benefits related to the Public Sector Plans. Should the Contractor have a question on policy determinations, benefits, or operating guidelines required for proper performance of the Contractor's responsibilities, the Contractor shall request a determination from the State in writing. The State will then

respond in writing making a determination within thirty (30) days. The Contractor shall then act in accordance with such policy determinations and/or operating guidelines.

- f. The Contractor shall not modify the services provided to members during the term of this Contract without the prior written consent of the State.
- g. To maintain the privacy of personal health information, the Contractor shall provide to the State a method of securing email for daily communications between the State and the Contractor.
- h. The Contractor shall not request the member's complete social security number as part of the health questionnaire. However, the Contractor may request the last four (4) digits of the social security number.
- i. The Contractor shall refer calls from Agency Benefits Coordinators (ABCs) regarding eligibility or enrollment systems issues to the State. The Contractor shall refer calls from ABCs regarding medical benefits to the member's medical TPA.
- j. The Contractor shall respond to all inquiries in writing from the State within one (1) week after receipt of said inquiry. In cases where additional information to answer the State's inquiry is required, the Contractor shall notify the State immediately as to when the response can be furnished to the State. For matters designated as urgent by the State, the Contractor shall provide a response to the State within four (4) hours during normal business hours. During non-business hours the Contractor shall provide a response to urgent matters to the State within twenty-four (24) hours. Staff members, from the applicable business unit, with final decision making authority shall provide responses.
- k. The Contractor shall be responsible for preparing the agendas for and taking minutes during all meetings with the State, including meetings with non-State attendees. The Contractor shall submit the proposed agenda to the State at least forty-eight (48) hours prior to the meeting for State review and proposed changes. After all meetings the Contractor shall prepare meeting minutes, which shall include specific information on required action items with responsible parties assigned to said action items. After approval of the minutes by the State, the Contractor shall distribute meeting minutes to all key Contractor project staff and meeting attendees.
- l. The Contractor shall refer all media and legislative inquiries to Benefits Administration, which will have the sole and exclusive responsibility to respond to all such queries. However, the Contractor shall respond directly to audit requests from the Comptroller, to audit requests from divisions within the Department of Finance & Administration, and to subpoenas; in all such instances, the Contractor shall copy Benefits Administration on all correspondence.
- m. The Contractor shall ensure that the U.S. Postal Service returns all undeliverable mail and mail forwarding information to the Contractor, not to the State. Unless otherwise directed by the State, for all mailing materials, the Contractor shall use the "Address Service Requested" endorsement as described in Section 507.1.5 of the U.S. Postal Service's Domestic Mail Manual (DMM).
- n. The Contractor shall review all returned mail from any mailings to members or providers to determine if the member or provider has moved, if the Contractor has the wrong address, and/or if the member or provider is communicating other contact information to the Contractor or to the State. If the U.S. Postal Service indicates that a new address is available, the Contractor shall send the member a "Notice of Address Change Instructions" within three (3) business days and communicate the updated address information to the State within thirty (30) days. The Notice of Address Change

Instructions shall be prior approved by the State in writing. Unless otherwise directed by the State, the Notice of Address Change Instructions shall explain to members that they need to contact their employer to update their address and contact information. The Contractor shall track returned mail and shall report monthly to the State the number of pieces of returned mail, the reason the mail was returned and action taken by the Contractor. The Contractor shall include in this report a list of all members whose mail was undeliverable due to an incorrect address provided by the State. (See Contract Attachment C.)

- o. On every telephone contact with a member, the Contractor shall verify the member's contact information, including home address, phone number and email address. If a member's contact information has changed, the Contractor shall record that information in its systems (in a manner consistent with Section A.17.b.1. so as to avoid automatic overwriting by the weekly enrollment update). If the change is to a member's home address or phone number as reflected in the State's enrollment file, the Contractor shall refer the member their employer to update their address and contact information, send the member a "Notice of Address Change Instructions" within three (3) business days and communicate the updated address information to the State within thirty (30) days.
- p. Unless prior approved in writing by the State and in compliance with State and Federal law, the Contractor shall not use information gained through this Contract, including but not limited to utilization and pricing information, in marketing or expanding non-State business relationships or for any pecuniary gain.
- q. The Contractor shall issue all related U.S. Internal Revenue Service (IRS) Form 1099 reports, submit required 1099 information directly to the IRS utilizing the Contractor's tax ID number, and shall maintain responsibility in matters relating to such information provided to payees and to the IRS, including the payment of any penalties or fees related to such 1099 reporting.
- r. As prior approved in writing by the State (see Contract Section D.5.), the Contractor may subcontract for some of the requirements of this Contract (e.g., conducting employment site screening and providing selected DM programs). If the Contractor subcontracts for any of the requirements of this Contract, the Contractor shall implement monitoring processes, prior approved in writing by the State, to ensure compliance with requirements stated herein.
- s. In the event the Contractor has reason to believe that fraud or abuse has or may be taking place, the Contractor shall simultaneously inform the Benefits Administration and the Division of State Audit, in the Office of the Comptroller of the Treasury. If requested by the State, the Contractor shall provide assistance to the State in any fraud investigation related to this Contract.
- t. For all required outbound telephone contracts to members under this Contract, the Contractor shall make and document at least four (4) attempts to contact the member by phone over a period of two (2) weeks at varied times of day, followed by a letter sent to the member's most recently reported address.

A.16. Staffing.

- a. The Contractor shall provide and maintain qualified staff at a level that enables the Contractor to conduct the requirements of this Contract. The Contractor shall ensure that all persons, including independent contractors, subcontractors and consultants assigned by it to perform under the Contract, shall have the experience and credentials necessary (i.e., licensed, and bonded, as required) to perform the work required herein. In addition, the Contractor shall ensure that all persons assigned by it to perform work under the

Contract shall be fully qualified to perform the services required herein. The Contractor shall include a similar provision in any contract with any subcontractor selected to perform work hereunder.

- b. For its work under this Contract, the Contractor shall not use any person or organization that is on the U.S. Department of Health and Human Services' Office of Inspector General (OIG) exclusions list unless the Contractor receives prior, written approval from the State.
- c. The Contractor shall ensure that all staff receives initial and ongoing training regarding all applicable requirements of this Contract and the Public Sector Plans. The Contractor shall ensure that staff who provide services under this Contract have received comprehensive orientations and training regarding their functions, are knowledgeable about the Contractor's operations relating to the Public Sector Plans, and are knowledgeable about their functions and how those functions relate to the requirements of this Contract.
- d. Key Personnel
  - (1) The Contractor shall have qualified staff, as specified in the Contractor's Proposal in response to RFP #3176-00105 and approved by the State, to provide lifestyle management, DM, and case management. The Contractor shall ensure continuous training, education and certification, and licensure of coaches and case managers. Specifically:
    - i. All nurse advice line nurses shall, at a minimum, be registered nurses (RNs);
    - ii. All coaches (including lifestyle management and disease management coaches) and case managers shall be clinical professionals appropriately licensed or certified;
    - iii. All lifestyle and DM coaches shall have, at a minimum, a bachelor's degree in a related field;
    - iv. All case managers shall be, at a minimum, RNs;
    - v. All coaches and case managers shall be familiar with coverage and networks of the medical TPAs, EAP/BHO and PBM.
  - (2) The Contractor shall have an ongoing dedicated, full-time Account Team, as specified in the Contractor's Proposal in response to RFP #3176-00105 and approved by the State, that can provide daily operational support as well as strategic planning and analysis. All members of the Account Team shall have previous experience administering health management and wellness benefits for large employers. The Account Team shall be available for consultation with the State during the hours of 8:00 a.m. to 4:30 p.m. Central Time, Monday through Friday, as required to fulfill the scope of services specified in this Contract. The Account Manager shall also be available via cell phone and email after hours, including weekends.
  - (3) Consistent with Section A.2., the Contractor shall designate a dedicated full time Account Manager as a member of the Account Team. The dedicated Account Manager shall have the responsibility and authority to manage the entire range of services specified in this Contract and shall respond promptly to changes in benefit plan design, changes in procedures, or general administrative problems identified by the State. At a minimum, the Account Manager shall meet in person with the State once a month and more often if required by the State. At its discretion, the State may allow the Contractor to participate in such meetings by teleconference.

- (4) The Contractor shall have a designated Information Technology Director/Manager who shall have overall responsibility for the information technology operations under the Contract. This individual shall be available on at least a fifty percent (50%) basis during the period beginning with contract execution and ending sixty (60) days after the go-live date as identified in Contract Section A.22, and as needed to ensure all services required by this Contract are provided thereafter.
- e. The Contractor agrees that the State may approve or disapprove the staff assigned to this Contract prior to the proposed assignment. The State may also direct the Contractor to replace staff members providing core services as the State deems necessary and appropriate. The decision of the State on these matters shall not be subject to appeal.
- f. Key personnel commitments made in the Contractor's proposal shall not be changed unless prior approved by the State in writing. The Contractor shall notify the State at least fifteen (15) business days in advance, or as soon as the information is available, of proposed changes and shall submit justification (including proposed substitutions) in sufficient detail regarding education and experience equal to previous staff to the State to evaluate the impact upon the Contract. The decision of the State on these matters shall not be subject to appeal.
- g. If any key position becomes vacant, the Contractor shall provide a replacement with commensurate experience and required professional credentials within sixty (60) days of the vacancy unless the State grants an exception to this requirement in writing.
- h. The Contractor shall survey the State annually in January to determine the State's satisfaction with the Account Team and report the results of the survey to the State (see Attachment C).

**A.17. Information Systems.**

a. **Core Information Systems Functionality**

At a minimum, the Contractor shall possess the following information system functionality with processing capacity and availability sufficient for it to meet the requirements of this Contract:

- (1) Member interaction management – functionality that enables the Contractor to capture all interactions regardless of modality (e.g., phone, email, mail, or web), the codified purpose, scope and resolution of said interactions, the recording of said interactions (if applicable – audio and/or video) and a date/time stamp for each discrete interaction;
- (2) Event scheduling – web-accessible functionality that has at least the same level of functionality as the State's current, custom-designed scheduling software;
- (3) Service tracking, recording and verification;
- (4) Health questionnaire, including health screening – functionality as described in Contract Section A.12.;
- (5) Risk analysis and stratification;
- (6) Lifestyle, DM and case management program management including facilitation and documentation of program activities (e.g., case notes);
- (7) Education and outreach materials management;
- (8) Payment to subcontractors;
- (9) Website/portal functionality as described in Contract Section A.12.; and
- (10) Interactive voice response functionality as described in Contract Section A.10.

b. The Contractor's systems shall house required data. These data includes, but is not limited to:

- (1) Individual member-specific identifying data including TPA, PPO benefit option (i.e., Standard or Partnership PPO), demographic and contact information - contact information other than the information obtained from data exchanges with the State will be maintained in distinct fields (other than those where the data obtained from the State will be housed);
- (2) Risk level;
- (3) Index condition;
- (4) Co-morbid conditions based on definitions approved by the State;
- (5) Identification/referral source(s);
- (6) All interactions with individual members irrespective of interaction modality – e.g., phone, email, online inquiry, chat, mail, or fax including all unsuccessful contact attempts.
- (7) Health/functional status and quality of life data as captured from health screenings, health questionnaires and other sources;
- (8) Discrete, codified data on all services provided to individual members under this Contract including but not limited to health screenings, health questionnaires, case manager activities, and scheduled attendance at program events. These data shall include chronological information as well as relevant information about the individual member as captured during the course of the screening, health questionnaire, or other type of service;
- (9) Information about specific lifestyle management, disease management, or case management programs in which individual members are enrolled, including program participation start and end/opt-out date(s) and all events (including material mailings) associated with their participation in the program;
- (10) Discrete data on any payments made to subcontractors who perform services required by this Contract;
- (11) Member outcomes data; and
- (12) Any other data necessary to measure program effectiveness and ensure compliance with state and federal requirements.

The State reserves the right to modify and/or expand data required as needed.

c. The Contractor's systems shall have the capability of adapting to any future changes necessary as a result of modifications to the Health Management and Wellness Program and its requirements, including data collection, records and reporting based upon unique identifiers to track services and expenditures across medical TPAs, population types/demographic groups, or regions/parts of the state. The systems shall be scalable and flexible so they can be adapted as needed, for example, within negotiated timeframes, in response to changes in Contract requirements, and increases in enrollment estimates. The Contractor's System architecture shall facilitate rapid application of the more common changes that can occur in the Contractor's operation, including but not limited to:

- (1) Subcontractor rate changes;
- (2) Additions and deletions of in-scope services;
- (3) Changes in program management rules, e.g. eligibility for certain services; and
- (4) Standardized contact/event/service codes.

d. All Contractor systems shall maintain linkages and head of contract-dependent (e.g., spouse to spouse and parent to child) relationships between initial and related subsequent interactions/transactions/events/activities. Additionally, when the Contractor houses indexed images of documents used by members, providers and subcontractors to transact with the Contractor, the Contractor shall ensure that these documents maintain

logical relationships to certain key data such as member identification and provider/subcontractor identification numbers. The Contractor shall also ensure that records associated with a common event, transaction or customer service issue have a common index that will facilitate search, retrieval and analysis of related activities, e.g., interactions with a particular member about the same matter/problem/issue.

- e. Upon the State's request, the Contractor shall be able to generate a listing of all members and providers that were sent a particular document, the date and time that the document was generated, and the date and time that it was sent to particular members or providers or groups thereof. The Contractor shall also be able to generate a sample of said document.

- f. **Retention and Accessibility of Information**

- (1) The Contractor shall provide and maintain a comprehensive information retention plan that is in compliance with state and federal requirements.
- (2) The Contractor shall maintain information on-line for a minimum of three (3) years, based on the last date of update activity, and update detailed and summary history data monthly for up to three (3) years to reflect adjustments.
- (3) The Contractor shall provide five (5) days turnaround or better on requests for access to information that is between three (3) years and six (6) years old, and seven (7) days turnaround or better on requests for access to information in machine readable form that is between six (6) and ten (10) years old.
- (4) If an audit or administrative, civil or criminal investigation or prosecution is in progress or audit findings or administrative, civil or criminal investigations or prosecutions are unresolved, information shall be kept in electronic form until all tasks or proceedings are completed.

- g. **Information Ownership.** All information, whether data or documents, and reports that contain or make references to said information, involving or arising out of this Contract is owned by the State. The Contractor is expressly prohibited from sharing or publishing State information and reports or releasing such information to external entities, affiliates, parent company, or subsidiaries without the prior written consent of the State.

- h. The Contractor shall ensure that its electronic data processing (EDP) and electronic data interchange (EDI) environments (both hardware and software), data security, and internal controls meet all applicable Federal and State standards, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act. Said standards shall include but not be limited to the requirements specified under each of the following HIPAA subsections:

- (1) Electronic Transactions and Code Sets;
- (2) Privacy;
- (3) Security;
- (4) National Provider Identifier;
- (5) National Employer Identifier;
- (6) National Individual Identifier;
- (7) Claims attachments;
- (8) National Health Plan Identifier; and
- (9) Enforcement.

- i. **System Availability, Business Continuity and Disaster Recovery (BC-DR)**

- (1) The Contractor shall ensure that critical member and other web-accessible and/or telephone-based functionality and information including the website/portal described in Section A.12. (to be agreed to by the State and the Contractor) are

available to the applicable System users twenty-four (24) hours a day, seven (7) days a week, except during periods of scheduled System unavailability agreed upon by the State and the Contractor. Unavailability caused by events outside of the Contractor's span of control is outside of the scope of this requirement. Any scheduled maintenance shall occur between the hours of midnight and 5:00 a.m. Central Time and shall be scheduled in advance with notification on the member website/portal. The Contractor shall make efforts to minimize any down-time between 5:00 a.m. and 12:00 a.m. Central Time.

- (2) The Contractor shall ensure that the systems within its span of control that support its data exchanges with the State and the State's vendors are available and operational according to the specifications and schedule associated with each exchange.
- (3) Regardless of the architecture of its systems, the Contractor shall develop and be continually ready to invoke a business continuity and disaster recovery (BC-DR) plan. The BC-DR plan shall encompass all information systems supporting this Contract. At a minimum the Contractor's BC-DR plan shall address the following scenarios:
  - i. Central and/or satellite data processing, telecommunications, print and mailing facilities and functions therein, hardware and software are destroyed or damaged;
  - ii. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that compromise the integrity of transactions that are active in a live system at the time of the outage;
  - iii. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that compromise the integrity of data maintained in a live or archival system; and
  - iv. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that does not compromise the integrity of transactions or data maintained in a live or archival system but does prevent access to the system.
- (4) The Contractor shall provide the State results of its most recent test of its BC-DR plan at least one (1) month prior to the go-live date.
- (5) The Contractor shall periodically, but no less than annually, test its BC-DR plan through simulated disasters and lower level failures in order to demonstrate to the State that it can restore system functions. The Contractor shall submit an annual BC-DR Results Report to the State (see Contract Attachment C).
- (6) In the event that the Contractor fails to demonstrate in the tests of its BC-DR plan that it can restore system functions per the standards outlined in this Contract, the Contractor shall submit to the State a corrective action plan that describes how the failure will be resolved. The Contractor shall deliver the corrective action plan within ten (10) business days of the conclusion of the test.
- (7) In the event of a declared major failure or disaster, as defined in the Contractor's BC-DR plan, the Contractor's critical functionality as discussed in Section A.17.i.(3) shall be restored within seventy-two (72) hours of the failure's or disaster's occurrence.

(8) The Contractor shall maintain a duplicate set of all records relating to this Program in electronic medium, usable by the State and the Contractor for the purpose of disaster recovery. Such duplicate records are to be stored at a secure fire, flood, and theft-protected facility located away from the storage location of the originals. The Contractor shall update duplicate records, at a minimum, on a daily basis and shall retain said records for a period of sixty (60) days from the date of creation. At the end of the term of this Contract or upon notice of termination of this Contract prior to the term date, the Contractor shall convey the original and the duplicate records medium and the information they contain to the State on or before the date of termination.

j. Prior to implementing any major modification to or replacement of the Contractor's core information systems functionality and/or associated operating environment, the Contractor shall notify the State in writing of the change or modification within a reasonable amount of time (commensurate with the nature and effect of the change or modification) if the change or modification: (a) would affect the Contractor's ability to perform one or more of its obligations under this Contract; (b) would be visible to State system users, members and providers; (c) might have the effect of putting the Contractor in noncompliance with the provisions or substantive intent of the Plan Documents and/or this Contract; or (d) would materially reduce the benefits payable or services provided to the average member. If so directed by the State, the Contractor shall discuss the proposed change with the State/its designee prior to implementing the change. Subsequent to this discussion, the State may require the Contractor to demonstrate the readiness of the impacted systems prior to the effective date of the actual modification or replacement.

k. System and Information Security and Access Management Requirements

(1) The Contractor's systems shall employ an access management function that restricts access to varying hierarchical levels of system functionality and information. The access management function shall:

- i. Restrict access to information on a "least privilege" basis, e.g., users permitted inquiry privileges only will not be permitted to modify information;
- ii. Restrict access to specific system functions and information based on an individual user profile, including inquiry only capabilities and the ability to create, change or delete certain data (global access to all functions shall be restricted to specified staff jointly agreed to by the State and the Contractor);
- iii. Restrict unsuccessful attempts to access system functions to three (3), with a system function that automatically prevents further access attempts and records these occurrences; and
- iv. Ensure that authentication credentials are not passed in clear text or otherwise displayed or presented.

(2) The Contractor shall make System information available to duly authorized representatives of the State and other state and federal agencies to evaluate, through inspections or other means, the quality, appropriateness and timeliness of services performed.

(3) The Contractor's systems shall contain controls to maintain information integrity. These controls shall be in place at all appropriate points of processing. The controls shall be tested in periodic and spot audits following a methodology to be developed jointly by and mutually agreed upon by the Contractor and the State.

(4) Audit trails shall be incorporated into all systems to allow information on source data files and documents to be traced through the processing stages to the point where the information is finally recorded. The audit trails shall:

- i. Contain a unique log-on or terminal ID, the date, and time of any create/modify/delete action and, if applicable, the ID of the system job that effected the action;
- ii. Have the date and identification "stamp" displayed on any on-line inquiry;
- iii. Have the ability to trace data from the final place of recording back to its source data file and/or document;
- iv. Be supported by listings, transaction reports, update reports, transaction logs, or error logs; and
- v. Facilitate batch audits as well as auditing of individual records.

(5) The Contractor's systems shall have inherent functionality that prevents the alteration of finalized records.

(6) The Contractor shall provide for the physical safeguarding of its data processing facilities and the systems and information housed therein. The Contractor shall provide the State with access to data facilities upon request. The physical security provisions shall be in effect for the life of this Contract.

(7) The Contractor shall restrict perimeter access to equipment sites, processing areas, and storage areas through a card key or other comparable system, as well as provide accountability control to record access attempts, including attempts of unauthorized access.

(8) The Contractor shall include physical security features designed to safeguard processor site(s) through required provision of fire retardant capabilities, as well as smoke and electrical alarms, monitored by security personnel.

(9) The Contractor shall put in place procedures, measures and technical security to prohibit unauthorized access to the regions of the data communications network inside of the Contractor's span of control.

(10) Unless the State prior-approves in writing the Contractor's use of alternate mitigating controls, the Contractor shall use Federal Information Processing Standard (FIPS) 140-2 compliant technologies to encrypt all PHI in motion or rest, including back-up media.

(11) The Contractor shall commission a security risk assessment at least annually and communicate the results to the State as part of an information security plan provided prior to the start date of operations. The risk assessment shall also be made available to appropriate state and federal agencies. At a minimum the assessment shall contain the following: identification of loss risk events/vulnerabilities; analysis of the probability of loss risk and frequency of events; estimation of the impact of said events; identification and discussion of options for mitigating identified risks; cost-benefit analysis of options; recommended options and action plan for their implementation. The assessment shall be conducted in accordance with the following: requirements for administrative, physical, and technical safeguards to protect health data (45 CFR §§164.304 - 318); rules for conducting risk analysis and risk management activities (45 CFR §164.308); requirements for security awareness training (45 CFR §164.308(a)(5)); requirements for entities to have security incident identification, response, mitigation and documentation procedures (45 CFR §164.308(a)(6)).

**A.18. Data Integration and Technical Requirements.**

- a. The Contractor shall maintain an electronic data interface with the State's Edison System for the purpose of processing State member enrollment and the member's official information known to the State. The Contractor shall be responsible for providing and installing the hardware and software necessary. When the Contractor requires the exchange of Protected Health Information (PHI) with the State of Tennessee, the State requires the use of second level authentication. This is accomplished using the State's standard software product, which supports Public Key Infrastructure (PKI). The Contractor shall design a solution, in coordination with the State, to connect to the State's Secure File Transfer Protocol (SFTP) server using a combination of the password and the authentication certificate. The initial sign-on and transmission testing will use a password. Certificate testing may also be performed during the test cycle. Subsequent production sign-on will be done using the authentication certificate. The Contractor will then download the file and decrypt the file in its secure environment. The State of Tennessee uses public key encryption with Advanced Encryption Standard (AES) to encrypt PHI. If the State adopts a different or additional encryption standard or tool in the future, the Contractor shall, with adequate notice, cooperate with the State to maintain the security of protected information according to all applicable State and Federal standards.
- b. Notwithstanding the requirement to maintain enrollment data, the Contractor shall not perform changes to enrollment data without the State's approval.
- c. At least seventy-five (75) days prior to the go-live date, the Contractor shall complete testing of the transmission, receipt, and loading of the eligibility/enrollment file from the State. No later than one (1) month prior to the go-live date, the Contractor shall certify in writing to the State that the Contractor understands and can fully accept and utilize the eligibility/enrollment files as provided by the State.
- d. Unless otherwise directed by the State, the Contractor shall transmit on a monthly basis a complete, electronic file of members receiving lifestyle management, DM and case management services to the State's medical TPAs, EAP/BHO and on a weekly basis this same report to the PBM vendor. The Contractor shall generate and transmit files specific to each medical TPA such that only the members enrolled in that TPA are identified to that TPA. The Contractor's file shall be in a format specified by the State. The State's vendors may implement cost-sharing incentives (e.g., lower rates of coinsurance, provision of copayments in lieu of coinsurance, waiver of or provision of lower deductible amounts) for such members, using the data contained in the Contractor files.
- e. Unless otherwise directed by the State, the Contractor shall transmit to the State on an annual basis a complete, electronic file on or before November 8 that reports those members who have fulfilled the components of the "Partnership Promise" as of November 1 (e.g., completed health screening and health questionnaire) and are eligible to enroll or re-enroll in the Partnership PPO. Unless otherwise directed by the State, the Contractor's file shall include new employees and late applicants who satisfy the following requirements:
  - (1) New employee/member policy:

The Contractor shall allow new employees and dependents to enroll in the Partnership PPO provided that such individuals are not also subject to the late applicant requirements described in Section 2.08 of the Plan Documents (available on the Benefits Administration website). Such members may but are not required to complete the health questionnaire and health screening prior to the next Annual Enrollment Transfer Period or Open Enrollment (whichever is applicable in that year). However, they will be required to pledge and complete

the full Partnership Promise during plan year following their first Annual Enrollment Transfer Period or Open Enrollment.

(2) Late applicant policy:

The Contractor shall not allow new employees and dependents who are subject to the late applicant requirements described in Section 2.08 of the Plan Documents to enroll in the Partnership PPO until the member has been enrolled in the Standard PPO for at least twelve (12) months. In addition, late applicants can enroll in the Partnership PPO only during Annual Enrollment Transfer Period or Open Enrollment (whichever is applicable in that year). Thus, a late applicant who enrolls in the Standard PPO in August 2011 shall not be eligible to enroll in the Partnership PPO until at least the Annual Enrollment Transfer Period or Open Enrollment (whichever is applicable) for the 2013 plan year. As with all members, late applicants have the option to complete an annual health questionnaire and health screening at any time.

f. The Contractor shall maintain, in its systems, in-force enrollment records of all individuals covered by the Public Sector Plans.

- (1) Weekly Enrollment Update: To ensure that the State's enrollment records remain accurate and complete, the Contractor shall, unless otherwise directed by the State, retrieve, via secure medium weekly enrollment files from the State, in the State's Edison 834 file format, which may be revised - files will include full population records for all members and will be in the format of ANSI ASC X12.84, Benefit Enrollment and Maintenance (834), version 004010X095A1, with several fields customized by the State.
- (2) The Contractor shall complete and submit to the State a Weekly File Transmission Statistics Report within twenty-four (24) hours of receipt of the Weekly Enrollment Update. The Contractor shall submit this report via email to designated State staff. (See Contract Attachment C.)
- (3) The Contractor shall post ninety-eight percent (98%) of electronically transmitted enrollment updates within one (1) business day of receipt of the Weekly Enrollment Update and one hundred percent (100%) shall be posted within three (3) business days of receipt of the Weekly Enrollment Update.
- (4) The Contractor shall resolve all discrepancies identified by the processing of the Weekly Enrollment Update within five (5) business days of receipt of the file from the State. The State and the Contractor shall work to develop a process for responding to invalid or non-processed records.
- (5) State Enrollment Data Match: Upon request by the State, not to exceed four (4) times annually, the Contractor shall submit to the State, in a secure manner, its full file of State members, by which the State may conduct a data match against the State's Edison database. The purpose of this data match will be to determine the extent to which the Contractor is maintaining its database of State members. The State will communicate results of this match to the Contractor, including any Contractor requirements, and associated timeframes, for resolving the discrepancies identified by the data match.

g. The Contractor shall reconcile, within ten (10) business days of receipt, payment information provided by the State. Upon identification of any discrepancies, the Contractor shall immediately advise the State.

- h. The Contractor shall establish and maintain systems and processes to receive and provide all appropriate and relevant data from entities and vendors providing services to members, including vendors under contract with the State (e.g., the medical TPAs, EAP/BHO vendor, and PBM) and integrate such data into Contractor's systems and processes as appropriate.
- i. The Contractor shall transmit health questionnaire and screening information to the State's current health care decision support system (DSS) vendor in a format approved by the State, or in a mutually agreed upon format. The data feed(s) shall be provided at no additional charge to the State. The Contractor shall transmit the data, via a mutually agreed upon secure methodology, no later than fifteen (15) days following the end of each calendar month, or more frequently as directed by the State. The Contractor shall ensure that the data includes all of the variables as contained in the file layout approved by the State.
- j. The Contractor shall adhere to the additional requirements related to the State's DSS vendor listed in Contract Section C.3.
- k. Data provided to the DSS vendor shall meet the quality standards detailed in the Liquidated Damages section of this Contract (Contract Attachment B) as determined by the State's DSS vendor.
- l. The Contractor shall provide transmittal of data via secure medium to any additional third parties including the State's medical TPAs, EAP/BHO vendor, or others as identified by the State.
- m. Within sixty (60) days of notice of termination of this Contract, the Contractor shall transfer to the State all required data and records necessary to administer the plan(s)/program(s), subject to State and Federal confidentiality requirements. The transfer shall be made electronically via secure medium, in a file format to be determined based on the mutual agreement between the State and the Contractor.
- n. By the start of systems testing activities with the State, the Contractor's systems shall be able to transmit, receive and process data in HIPAA-compliant or agency-specific methods and formats where applicable. Any state-specific methods and formats not otherwise specified in this Contract and associated references and attachments will be detailed in documents that will be provided to the Contractor within thirty (30) days of Contract execution.
- o. The Contractor's systems shall conform to future federal and state specific standards for data exchange by the standard's effective date.
- p. The Contractor shall partner with the State in the management of current and future data exchange formats and methods and in the development and implementation planning of future data exchange methods not specific to HIPAA or other federal effort.
- q. The Contractor's system(s) shall possess mailing address standardization functionality in accordance with U.S. Postal Service conventions.
- r. Integration to state/state website/portals. Where deemed that the Contractor's web presence will be integrated, to the degree necessary, to the web presence/portal of the State and/or its vendor, the Contractor shall conform to the applicable State or vendor standard for website structure, design/layout, navigation and usability.
- s. Integration of health screening and health questionnaire data. The Contractor shall ensure that data collected for a member through health screenings and the completion of

health questionnaires are available and presented in a consolidated, easy to assimilate manner. To the extent that health screening data must be used in conjunction with health questionnaire data to assess a member's health status and as a basis for recommendations regarding participation in lifestyle management, disease management and case management programs, health screening data will be integrated as needed into the health questionnaire system's workflow.

A.19. Privacy & Confidentiality.

- a. The Contractor shall develop, adopt, and implement standards, which are, at a minimum, compliant with the HIPAA statute and the HIPAA privacy and security rules in 45 CFR Part 164, to safeguard the privacy and confidentiality of all Protected Health Information (PHI) about members. For example, the Contractor shall ensure that it does not have completed forms containing PHI sitting in public view, left in unsecure boxes or files, or left unattended in any off-site location (e.g., in an automobile). The Contractor's procedures shall include but not be limited to safeguarding the identity of members as members of a Public Sector Plan and preventing the unauthorized disclosure of PHI. The Contractor shall comply with the HIPAA amendments in the American Recovery and Reinvestment Act, Public Law 111-5, the HITECH Act, and any implementing regulations when they become effective.
- b. The Contractor shall not use or further disclose protected health information (PHI) other than as permitted or required by HIPAA and the Business Associate Agreement; or as required by law. Use of PHI for payment, treatment, or health care operations may include disclosure only as permitted by HIPAA, including when such information is strictly necessary to resolve the issue or concern under discussion and the person has adequate permission or legal authority to review such information. In the absence of exigent circumstances, the Contractor shall not disclose any member's PHI to another business associate or other entity for pecuniary gain unless the State specifically prior authorizes such disclosure in writing. Additionally, the Contractor shall not use member identified or non-aggregated information for advertising, marketing, promotion or any activity intended to influence sales or market share of any product or service.
- c. The Contractor shall use appropriate safeguards to prevent the unauthorized use or disclosure of the PHI. The Contractor shall report to the State any unauthorized use or disclosure of the PHI.
- d. The Contractor shall mitigate, to the extent practicable, any harmful effect that is known to the Contractor of a use or disclosure of PHI by the Contractor in violation of the requirements of the Federal privacy rule.
- e. The Contractor shall provide access to PHI in a "designated record set" in order to meet the requirements under 45 CFR §164.524.
- f. The Contractor shall make any amendment(s) to PHI in a "designated record set" pursuant to 45 CFR §164.526.
- g. The Contractor shall document disclosures of PHI and information related to such disclosures as would be required to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.
- h. The Contractor shall (i) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits, (ii) report to the State any security incident (within the meaning of 45 CFR § 164.304) of which the Contractor becomes aware, and (iii) ensure that any agent of the Contractor, including any

subcontractor, agrees to the same restrictions and conditions that apply to the Contractor with respect to such information.

- i. The Contractor shall comply with all privacy and security requirements of the Health Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health (HITECH) Act.
- j. The Contractor shall have full financial responsibility for any penalties, fines, or other payments imposed or required as a result of the Contractor's non-compliance with or violation of HIPAA or HITECH requirements, and the Contractor shall indemnify the State with respect to any such penalties, fines, or payments.
- k. The Contractor shall assure that all Contractor staff is trained in all HIPAA requirements, as applicable.

**A.20. State Audits.**

- a. With provision by the State of thirty (30) days notice, and with the execution of any applicable third party confidentiality agreements, the State and/or its authorized representative has the right to examine and audit the Contractor to ensure compliance with all applicable requirements. For the purpose of this requirement, the Contractor shall include its parent organization, affiliates, subsidiaries, and subcontractors.
- b. The Contractor shall provide access, with thirty (30) days notice from the State, at any time during the term of this Contract, and for three (3) years after final contract payment (longer if required by law), to the State and/or its authorized representative to examine and audit the services provided under this Contract. The State reserves the right to request that documentation be provided for review at the authorized representative's location, the State's location, or at the Contractor's corporate site.
- c. The Contractor shall, at its own cost, provide the State and/or its authorized representative with prompt and complete access to any data, documents, access to systems, and other information necessary to ensure the Contractor is complying with all requirements of this Contract.
- d. The Contractor shall provide reasonable cooperation with requests for information, which includes but is not limited to the timing of the audit, deliverables, data/information requests and the Contractor's response time to the State's questions during and after the process. The Contractor shall also provide a response to all "findings" received within thirty (30) days, or at a later date if mutually determined to be more reasonable based on the number and type of findings.
- e. The State shall not be responsible for time or any costs incurred by the Contractor in association with an audit including, but not limited to, the costs associated with providing data, reports, documentation, systems access, or space.
- f. If the outcome of the audit results in an amount due to the State, one hundred percent (100%) of the payment of such settlement will be made by the Contractor within thirty (30) days of the Contractor's receipt of the final audit report. The Contractor shall also pay the State interest on the overcharge by multiplying the amount of the overcharge by the Tennessee State Pooled Investment Fund's Gross Total Portfolio Average Earnings Rate for the month(s) in the overcharge period, times the number of days in the overcharge period(s), divided by 365 days/year. Any amount due the State which is not paid by the Contractor within thirty (30) days of the Contractor's receipt of the final audit report shall be subject to a compounding interest penalty of one percent (1%) per month. Once an audit report is issued the Contractor shall have an opportunity to comment on any findings

in the report. If the Contractor disagrees with a finding resulting in a payment to the State, the State will review the Contractor's comments, but if the State retains the original audit findings the Contractor will be responsible for any payment to the State.

**A.21. Reporting & Systems Access.**

- a. The Contractor shall submit reports in a mutually agreeable electronic format (e.g., Microsoft Word or Microsoft Excel), of the type, at the frequency, and containing the detail described in Contract Attachment C. Reporting shall continue for the twelve (12) month period following termination of this Contract.
- b. The Contractor shall provide a mutually agreed upon mechanism for the State to access aggregate data, including, for example, program and fiscal information regarding members served, services rendered, and the ability for said personnel to develop and retrieve reports. This requirement could be met by the provision of access to a decision support system/data warehouse. The Contractor shall provide training in and documentation on the use of this mechanism. The Contractor shall provide access to this reporting functionality to a minimum of three (3) State employees and a maximum of five (5) State employees no later than thirty (30) days prior to the go-live date. Additional or replacement users may be added at any time at the State's request.
- c. The Contractor shall train the same three (3) to five (5) State staff (and any additional or replacement users) regarding access to the Contractor's reporting functionality no later than one (1) month prior to the go-live date. Such training may be delivered remotely or in-person.
- d. The Contractor shall provide the State access to an ad-hoc reporting liaison to assist in the development of reports that cannot be generated using the Contractor's standard reporting package. The Contractor shall deliver such reports to the State within five (5) business days of the State's request. If requested by the State, the Contractor shall deliver up to five (5) reports annually deemed as "urgent" by the State within two business days. All ad-hoc reports shall be provided at no additional cost to the State.
- e. The Contractor shall ensure that reports submitted by the Contractor to the State shall meet the following standards:
  - (1) The Contractor shall verify the accuracy and completeness of data and other information in reports submitted.
  - (2) The Contractor shall ensure delivery of reports or other required data on or before scheduled due dates.
  - (3) Reports or other required data shall conform to the State's defined written standards.
  - (4) All required information shall be fully disclosed in a manner that is responsive and with no material omission.
  - (5) Each report shall be accompanied by a brief narrative that describes the content of the report and highlights salient findings of the report.
  - (6) As applicable, the Contractor shall analyze the reports for any early patterns of change, identified trend, or outlier (catastrophic case) and shall submit a written summary with the report including such analysis and interpretation of findings. At a minimum, such analysis shall include the identification of change(s), the potential reasons for change(s), and the proposed action(s).
  - (7) The Contractor shall notify the State regarding any significant changes in its ability to collect information relative to required data or reports.
  - (8) The submission of late, inaccurate or otherwise incomplete reports shall be considered failure to report within the specified timeframe (see Contract Attachment B).

(9) State requirements regarding reports, report content and frequency of submission may change during the term of the Contract. The Contractor shall have at least forty-five (45) days to comply with changes specified in writing by the State.

f. The Contractor shall provide sufficient reports and data access to the State to allow the State to calculate the frequency and duration of contacts with individual lifestyle management, DM and case management participants stratified by age, sex, and disease severity.

**A.22. Due Dates for Project Deliverables/Milestones.**

Unless otherwise specified in writing by the State, the Contractor shall adhere to the following schedule for the deliverables and milestones for which it is responsible under this Contract:

Deliverables/Milestones:	Contract Reference(s):	Deliverable Due Dates & Milestone Target Dates:
<b>Implementation</b>		
1. Programs, service, and information systems are fully operational	A.2.a	October 15, 2010
2. Go-live	A.2.	January 1, 2011
3. Kick-off meeting for all key Contractor staff	A.2.d	Within 21 days after Contract signing date
4. Implementation plan	A.2.e	30 days after Contract start date (on or before)
5. State readiness review	A.2.g	October 1, 2010 (on or before)
6. Bi-weekly Status Meetings	A.2.j	Contract start date through December 15, 2010
7. Daily Status Meetings	A.2.j	December 15, 2010 through February 1, 2011
8. Implementation Performance Assessment	A.2.k	February 15, 2011 (on or before)
<b>Health Screening</b>		
9. Employment Site Screening Events Schedule	A.3.g.(4)	October 1, 2010
10. Laboratory/Patient Services Screening Plan (if applicable)	A.3.j.	August 1, 2010
11. Health Screening One-Page Summary for Employment Site		
11. Screening Events (final); Counseling Scripts, Reminder Notice to Complete Health Questionnaire	A.3.k	September 1, 2010
12. Health Screening Completion Report	A.3.l and Attachment C	Monthly after go-live
13. Employment Site Screening Summary Report	A.3.l and Attachment C	Monthly after go-live
14. Health Screening Summary Report	A.3.l and Attachment C	Quarterly after go-live
<b>Health Questionnaires</b>		
15. Health Questionnaire (final)	A.4.l.	September 1, 2010

Deliverables/Milestones:	Contract Reference(s):	Deliverable Due Dates & Milestone Target Dates:
16. Reminder Notice to Complete Health Screen and Other Materials (final)	A.4.l.	September 1, 2010
17. Health Questionnaire Available on Member Website/portal	A.12.j.(7)	September 1, 2010
18. Health Questionnaire Completion Report	A.4.n. and Attachment C	Monthly after go-live
19. Health Questionnaire Summary Report	A.4.n. and Attachment C	Quarterly after go-live
<b>Wellness Scoring/Risk Assessment</b>		
20. Wellness Score/Risk Assessment, Health Screen & Health Questionnaire Results Packet	A.5.c	September 1, 2010
21. Wellness Score/Risk Assessment Methodology (final)	A.5.h	September 1, 2010
<b>Identification and Enrollment in Lifestyle Management, Disease Management and Case Management</b>		
22. Eligibility Criteria and Risk Stratification Procedures (final)	A.6.f	September 1, 2010
23. Enrollment Procedures, including scripts and timeframes	A.6.k	September 1, 2010
24. Program Participation Report	A.6.l and Attachment C	Monthly after go-live
<b>Content and Structure of Lifestyle Management, Disease Management and Case Management Programs</b>		
25. Case Management Program Descriptions	A.7.l	September 15, 2010
26. Coach/Case Manager Assignment Policies and Procedures	A.7.o.(2)	September 15, 2010
27. DM Participant Non-Adherence Policies and Procedures	A.7.s.(4)	September 15, 2010
28. Case Management Participant Non-Adherence Policies and Procedures	A.7.t.(4)	September 15, 2010
29. Provider Notification of Members in Case Management Process	A.7.t.(5)	September 15, 2010
<b>Disenrollment from Lifestyle Management, Disease Management and Case Management</b>		
30. Voluntary Disenrollment Report	A.8.b and Attachment C	Monthly after go-live
31. Policies and Procedures to Re-engage Members who Disenroll	A.8.e	September 15, 2010
<b>Member Services</b>		
32. Ensuring Quality of Services Provided by Member Services Staff	A.9.d	September 1, 2010
33. Adherence to Customer Satisfaction Standards Report	A.9.e and Attachment C	Monthly after go-live
34. Description of Member Grievance Process and Procedures and Sample Determination Letter	A.9.h (3)	December 1, 2010 (on or before)

Deliverables/Milestones:	Contract Reference(s):	Deliverable Due Dates & Milestone Target Dates:
35. Quarterly Grievances Reports	A.9.h.(4) and Attachment C	Quarterly after go-live
<b>Member Services Call Center and Nurse Advice Line</b>		
36. Member Services Call Center and Nurse Advice Line open	A.10.a (5)	January 1, 2011
37. Member Services Call Center and Nurse Advice Line Operations Policies and Procedures	A.10.b (7) A.10.c (6)	September 1, 2010
38. Call Center Statistics and Summary Report	A.10.d.(3), Attachment B, and Attachment C	Daily from December 1, 2010 through March 1, 2011; weekly starting December 6, 2010, and monthly starting January 5, 2011
<b>Member Education and Outreach</b>		
39. Materials for the Annual Enrollment Transfer Period or Open Enrollment Period (whichever is applicable in that year)	A.11.n.	Annually two (2) months before the annual enrollment transfer or open enrollment period (on or before)
40. Brief Summary of Health Questionnaire and Continuum of Services for Member Handbook (final)	A.11.o.	September 1, 2010
41. Preventive Health Messaging Annual Plan	A.11.r.	October 1, 2010
42. "Take this to Your Doctor" Checklist(s)	A.11.w.	August 15, 2010
<b>Member Website/Portal</b>		
43. Website/Portal go-live	A.12.b	October 15, 2010 (on or before)
44. Updated Information Based on New Plan Year	A.12.d	October 15, 2010 (on or before)
45. State Review of Website and all Materials on Website	A.12.e	October 15, 2010 (on or before)
<b>Quality Assurance Program</b>		
46. Health Screening Exit Survey Report	A.13.f and Attachment C	Monthly after go-live and during the health screen survey periods describe in Section A.13.
47. Program Satisfaction Survey tool and methodology	A.13.g	October 1, 2010
48. Program Satisfaction Report	A.13.g and Attachment C	Monthly after go-live
49. Accreditation Schedule (if not accredited)	A.13.h A.13.i	December 1, 2010
50. Quality Assurance Program	A.13.j	December 1, 2010
<b>Coordination and Collaboration</b>		
51. Transmission of Electronic Files to Other Vendors of Members Enrolled in Lifestyle Management, DM or Case Management	A.14.b, A.18.e and Attachment C	

Deliverables/Milestones:	Contract Reference(s):	Deliverable Due Dates & Milestone Target Dates:
52. Monthly Operational Meetings	A.14.g.(1)	Monthly after go-live
53. Quarterly meetings with the State	A.14.g.(2)	Quarterly after go-live
54. Seminars	A.14.g.(3)	Dates TBD by State
55. State-Sponsored Vendor Summit	A.14.g.(4)	Date TBD by State
56. Weekly Conference Calls with Medical TPAs, OBM and EAP/BHO Vendors	A.14.g.(5)	Weekly after go-live
57. Monthly Conference Calls with State, Medical TPAs, OBM and EAP/BHO Vendors	A.14.g.(6)	Monthly after go-live
58. Quarterly Meetings with State, Medical TPAs, OBM and EAP/BHO Vendors	A.14.g.(7)	Quarterly after go-live
<b>Administrative Services</b>		
59. Undeliverable Mail Reports	A.15.n.	Monthly after go-live
<b>Staffing</b>		
60. Account Team Satisfaction Survey	A.16.h	Annually in January
61. Account Team Satisfaction Survey Report	A.16.h and Attachment C	Annually
<b>Information Systems</b>		
62. BC-DR Test Results	A.17.i.(4)	December 1, 2010
63. Business Continuity/Disaster Recovery (BC-DR) Results Report	A.17.i.(5) and Attachment C	December 1, 2010 and then annually in January beginning in 2012
64. Duplicate set of data records	A.17.i.(8)	On or before the date of contract termination.
<b>Data Integration &amp; Technical Requirements</b>		
65. Completion of eligibility file testing	A.18.c	October 15, 2010 (on or before)
66. Edison System Interface/Eligibility file acceptance	A.18.c	December 1, 2010 (on or before)
67. Weekly enrollment update	A.18.f.(1)	Weekly after December 1, 2010
68. Weekly File Transmission Statistics Report	A.18.f.(2) and Attachment C	Within 24 hours of receipt of file
69. State enrollment data match	A.18.f.(5)	Up to four (4) times annually, as requested by the State
70. Annual report on members who have fulfilled the components of the "Partnership Promise" (e.g., completed health screening and health questionnaire) and are eligible to enroll or re-enroll in the Partnership PPO	A.18.e	On or before November 8, 2011, and then annually, on the same date each year

Deliverables/Milestones:	Contract Reference(s):	Deliverable Due Dates & Milestone Target Dates:
71. Completion of testing files from other vendors	A.18.d, A.18.h, A.18.i	November 15, 2010 (on or before)
72. Interface with other vendors/file acceptance	A.18.d, A.18.h, A.18.i	December 1, 2010
73. Data transmission to DSS vendor	A.18.i, A.18.j, A.18.k	15 days following the end of each calendar month
74. Data transmission to third parties	A.18.d, A.18.h, A.18.i	As described in A.18.d., unless otherwise directed by the State
75. Transmission of data and records to State	A.18.m	Within 60 days of notice of termination
<b>Reporting &amp; Systems Access</b>		
76. Reports specified in Contract Attachment C	A.21.a and Contract Attachment C	As specified in Contract Attachment C
77. Reporting system access	A.21.b	December 1, 2010 (on or before)
78. State staff systems training	A.21.c	December 1, 2010 (on or before)

A.23. Definitions.

- a. Active participant: A participant as defined in this Contract Section A.23. below whom the Contractor can document as "active" as defined in Sections A.7.r.2, A.7.s.2, A.7.t.2, for lifestyle management, disease management and case management, respectively.
- b. Abandoned Call: A call in which the caller elects an option and is either not permitted access to that option or disconnects from the system.
- c. Affiliate: A business organization or entity that, directly or indirectly, is owned or controlled by the Contractor, or owns or controls the Contractor, or is under common ownership or control with the Contractor.
- d. Agency Benefits Coordinator (ABC): An Agency Benefits Coordinator serves as the liaison between the Public Sector Plans and members.
- e. Average Seconds to Answer (ASA): The mean time between (a) the moment at which a caller to the Contractor's call center first hears an introductory greeting and enters the queue and (b) the time at which a member services representative at the call center answers the call. For this definition, the term "answer" shall mean begin an uninterrupted dialogue with the caller. If a member services representative asks the caller to hold during the first sixty (60) seconds of the dialogue, the Contractor shall not consider the call to be "answered" for purposes of this definition until the member services representative returns to the caller and begins an uninterrupted dialogue. If a caller requested a returned call using the dial-back feature described in Contract Section A.10. the ASA shall be defined as the time between (a) the moment at which a caller to the Contractor's call center first hears an introductory greeting and enters the queue and (b) the time of the returned call (regardless of whether the member answered).
- f. Benefits Administration: The division of the Tennessee Department of Finance & Administration that administers the Public Sector Plans and the Cover Tennessee programs.

- g. Blocked Call: A call that can not be connected immediately because no circuit is available at the time the call arrives or the telephone system is programmed to block calls from entering the queue when the queue backs up behind a defined threshold.
- h. Body Mass Index (BMI): As defined by the National Heart, Lung, and Blood Institute in its clinical guidelines on the identification, evaluation, and treatment of overweight and obesity in adults, BMI equals a person's weight in pounds divided by height in inches squared and multiplied by 703, or as weight in kilograms divided by height in meters squared. BMI charts provide completed calculations and can be used to determine BMI by simply entering weight and height. For additional information, see [http://www.nhlbi.nih.gov/guidelines/obesity/ob\\_home.htm](http://www.nhlbi.nih.gov/guidelines/obesity/ob_home.htm).
- i. Business Days: Traditional workdays, including Monday, Tuesday, Wednesday, Thursday, and Friday. State Government Holidays are excluded.
- j. Calendar Days: All seven days of the week.
- k. CFR: Code of Federal Regulations.
- l. Day(s): Calendar day(s) unless otherwise specified in the Contract.
- m. DSS: A decision support system is a database and query tool.
- n. EAP/BHO: Employee Assistance Program/Behavioral Health Organization.
- o. Head-of-Contract: Eligible employee, retiree, or individual qualified under the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) (not including dependents) who is enrolled in one the medical benefit options of the Public Sector Plans.
- p. HIPAA: Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and implementing regulations.
- q. HITECH: Health Information Technology for Economic and Clinical Health Act Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5 (Feb. 17, 2009) and implementing regulations.
- r. Inactive participant: participant as defined in this Contract Section A.23. below whom the Contractor is unable to document as "active" as defined in Sections A.7.r.2, A.7.s.2, A.7.t.2, for lifestyle management, disease management and case management, respectively.
- s. Information System(s) (System(s)): A combination of computing and telecommunications hardware and software that is used in: (a) the capture, storage, manipulation, movement, control, display, interchange and/or transmission of information, i.e., structured data (which may include digitized audio and video) and documents as well as non-digitized audio and video; and/or (b) the processing of information and non-digitized audio and video for the purposes of enabling and/or facilitating a business process or related transaction.
- t. Index condition: primary physical or behavioral health condition that would drive a member's placement into lifestyle coaching, DM or case management, particularly when a member presents with multiple conditions that would qualify him/her for enrollment in more than one program (e.g. an overweight smoking female who is also a high-risk pregnancy case).

- u. Member: Any person who is enrolled in one the medical benefit options of the Public Sector Plans in accordance with the Plan documents.
- v. Participant: A member who has been enrolled in lifestyle management, disease management, or case management. A participant is either an active participant (i.e., actively engaged) or an inactive participant as defined in Sections A.23.a and A.23.r., respectively.
- w. Partnership Promise: The covenant that a member makes at the time of enrollment in the Partnership PPO in which the member pledges, *inter alia*, to complete a health questionnaire (inclusive of health screening), to be and remain engaged with lifestyle management, disease management, or case management as clinically appropriate, and to seek all indicated preventive and clinical services.
- x. PBM: Pharmacy Benefits Manager.
- y. PPPM: Per participant per month
- z. Plan Documents: The State Plan, Local Education Plan, and Local Government Plan Documents, which are located on the State's website at [www.tn.gov/finance/ins/publications.html](http://www.tn.gov/finance/ins/publications.html) and which govern coverage of services and eligibility under each plan.
- aa. Plan of Care: A written plan developed by the Contractor for participants in case management that serves as the roadmap for providing services to meet the participant's needs. At a minimum, the plan of care shall identify goals and proposed outcomes; specify the interventions to be provided by the Contractor, including proposed duration and frequency; and identify the services to be provided by other State vendors (e.g., the medical TPA, the EAP/BHO, and the PBM).
- bb. Plan year: the twelve-month period that commences at the time at which a member's annual benefit elections take affect. Currently, the State's plan year is coterminous with the calendar year.
- cc. PMPM: Per member per month.
- dd. PPO Grand Division: A defined geographical area that includes specified counties in the State of Tennessee. The Contractor shall serve an entire PPO Grand Division. The following counties constitute the PPO Grand Divisions in Tennessee for this Contract:
 

*East PPO Grand Division* – Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Claiborne, Cocke, Franklin, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, Marion, McMinn, Meigs, Monroe, Morgan, Polk, Rhea, Roane, Scott, Sevier, Sullivan, Unicoi, Union, and Washington Counties

*Middle PPO Grand Division* – Bedford, Cannon, Cheatham, Clay, Coffee, Cumberland, Davidson, DeKalb, Dickson, Fentress, Giles, Hickman, Houston, Humphreys, Jackson, Lawrence, Lewis, Lincoln, Macon, Marshall, Maury, Montgomery, Moore, Overton, Perry, Pickett, Putnam, Robertson, Rutherford, Sequatchie, Smith, Stewart, Sumner, Trousdale, Van Buren, Warren, Wayne, White, Williamson, and Wilson Counties

*West PPO Grand Division* – Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Lake, Lauderdale, Madison, McNairy, Obion, Shelby, Tipton, and Weakley Counties

- ee. Protected Health Information (PHI): As defined in the HIPAA Privacy Rule, 45 CFR § 160.103.
- ff. Public Sector Plans: Refers to all benefit options sponsored by the State, Local Government, and Local Education Insurance Committees, including the Standard Preferred Provider Organization (PPO), the Partnership PPO, and any other benefit options specified by the State.
- gg. RFP: Request for Proposals.
- hh. Span of Control: Information systems and telecommunications capabilities that the Contractor itself operates or for which it is otherwise legally responsible according to this Contract. The Contractor's span of control also includes systems and telecommunications capabilities outsourced by the Contractor.
- ii. State: The State of Tennessee.
- jj. State, Local Government, and Local Education Insurance Committees: Policy making bodies for the State, Local Government, and Local Education plans established under Tennessee Code Annotated 8-27-101, 8-27-207, and 8-27-301 respectively.
- kk. State Government Holidays: Days on which official holidays and commemorations as defined in Tennessee Code Annotated 15-1-101 *et seq.* are observed.
- ll. Subcontract: An agreement entered into by the Contractor with any other organization or person who agrees to perform any administrative function or service for the Contractor specifically related to securing or fulfilling the Contractor's obligations to the State under the terms of this Contract, when the intent of such an agreement is to delegate the responsibility for any major service or group of services required by this Contract.
- mm. Subcontractor: Any organization or person who provides any function or service for the Contractor specifically related to securing or fulfilling the Contractor's obligations to the State under the terms of this Contract.
- nn. Telecommunication Device for the Deaf (TDD): Special telephone devices with keyboard attachments for use by individuals with hearing impairments who are unable to use conventional phones. Also known as TTY.

**B. CONTRACT TERM:**

- B.1. This Contract shall be effective for the period commencing on July 26, 2010 and ending on December 31, 2015. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. **Maximum Liability.** In no event shall the maximum liability of the State under this Contract exceed Ninety Three Million Three Hundred Twenty Two Thousand Dollars (\$93,322,000.00). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability

represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

C.2. **Compensation Firm.** The payment rates and the maximum liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.

C.3. **Payment Methodology.** The Contractor shall be compensated, beginning no earlier than January 1, 2011, based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1.

- The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in Section A.
- The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

Services	Fees (per unit noted in next column)					Unit
	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	
General fee*	\$0.99	\$0.99	\$1.01	\$1.03	\$1.05	Per member per month/ 275,000 members (estimated)
Nurse advice line	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	Per member per month/ 275,000 members (estimated)
Services	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	Unit
<b>Lifestyle Management**</b>						
Tobacco cessation	\$7.33	\$7.33	\$7.48	\$7.63	\$7.78	Per active participant per month
Weight management	\$7.33	\$7.33	\$7.48	\$7.63	\$7.78	Per active participant per month
High cholesterol	\$7.33	\$7.33	\$7.48	\$7.63	\$7.78	Per active participant per month
Hypertension	\$7.33	\$7.33	\$7.48	\$7.63	\$7.78	Per active participant per month
<b>Disease Management**</b>						
Chronic obstructive pulmonary disease (COPD)	\$24.62	\$24.62	\$25.11	\$25.61	\$26.13	Per active participant per month
Coronary artery disease (CAD)	\$24.58	\$24.58	\$25.07	\$25.57	\$26.08	Per active participant per

						month
Asthma	\$24.55	\$24.55	\$25.04	\$25.54	\$26.05	Per active participant per month
Diabetes	\$24.58	\$24.58	\$25.07	\$25.57	\$26.08	Per active participant per month
Congestive heart failure (CHF)	\$24.51	\$24.51	\$25.00	\$25.50	\$26.01	Per active participant per month
Musculoskeletal issues	\$24.55	\$24.55	\$25.04	\$25.54	\$26.05	Per active participant per month
Depression	\$24.58	\$24.58	\$25.07	\$25.57	\$26.08	Per active participant per month
Morbid obesity/bariatric surgery	\$25.21	\$25.21	\$25.71	\$26.23	\$26.75	Per active participant per month
<b>Case Management**</b>						
High-risk pregnancy screening and related case management	\$40.19	\$40.19	\$40.99	\$41.81	\$42.65	Per active participant per month
Case management (all other conditions)	\$40.19	\$40.19	\$40.99	\$41.81	\$42.65	Per active participant per month
<b>Other Components</b>						
Onsite/Employment site health screenings (default rate)	\$43.00	\$43.00	\$43.86	\$44.74	\$45.63	Per individual onsite screening
Onsite/Employment site health screenings (with less than 50 participants)	\$43.00	\$43.00	\$43.86	\$44.74	\$45.63	Per individual onsite screening
At-home screening kits	\$43.00	\$43.00	\$43.86	\$44.74	\$45.63	Per individual home kit health screening
Lab-based screenings (optional)	n/a	n/a	n/a	n/a	n/a	Per individual lab-based screening
Paper-based health questionnaire	\$19.75	\$19.75	\$20.15	\$20.55	\$20.96	Per individual paper-based health questionnaire

\* This general fee is a per member per month (PMPM) fee for all residual services and deliverables required under the terms of this Contract and which are not specifically and separately identified elsewhere in the table. Such residual services include but are not limited to the online health questionnaire, wellness scoring/risk assessment algorithm, website, general member services, general member education and outreach, quality assurance, coordination and collaboration, administrative services, and information systems.

\*\*The State is under no obligation to implement all of the lifestyle management, disease management or case management programs listed above during the term of this Contract. The State may elect to offer

three lifestyle management programs, five disease management programs, and case management under the rate in this Contract -- but it is under no obligation to offer the remaining lifestyle management program or disease management programs.

- c. The State reserves the right to review files prior to issuing payment and to hold or adjust any payment that is not satisfactory to the State.
- d. The Contractor is responsible for the fee charged by the DSS vendor to develop, test and implement conversion programs for the Contractor's health questionnaire and screening data. Furthermore, the Contractor shall pay during the term of this contract all applicable fees as assessed by the State's DSS vendor related to any data format changes, which are Contractor-initiated or are due to meeting compliance with new regulations. The Contractor shall also pay all applicable fees related to any DSS vendor efforts to correct Contractor data quality errors that occur during the term of this contract.
- e. If member materials containing an error had been approved by the State in writing and the error was detected after the materials have been mailed, the State will reimburse the Contractor the production and postage cost of mailing the corrected version pursuant to Contract Section C.3.f.
- f. The State shall reimburse the Contractor for the following, selected actual costs in the performance of this Contract upon Contractor providing documentation of actual costs incurred.
  - (1) Postage. The State shall reimburse the Contractor for the actual cost of postage for mailing materials produced under the terms of this Contract and as directed and authorized by the State.
  - (2) Printing / Production. The State shall reimburse the Contractor an amount equal to the actual net cost of document printing / production as required and authorized by the State and as detailed by the Contract Scope of Services.

Notwithstanding the foregoing, the State retains the option to authorize the Contractor to deliver a product to be printed, approve and accept the product but not use the Contractor to print the material. In those situations, the State shall have the discretion to use other printing and production services at its disposal.

- g. The Contractor shall only bill the State for one lifestyle management, DM, or case management rate for each participant during any one month. Thus, the State will reimburse the Contractor one rate from the rate table above for each participant during any one month.
- h. The Contractor's rates above shall include all costs related to the transmission of data to and from the medical third party administrators, the EAP/BHO, the PBM, and the DSS vendor as required under this Contract. This shall include but not be limited to the costs of accessing any claims data through or from the DSS vendor for purpose of identifying or quantifying member health risks as described in Section A.6 or in the Contractor's proposal response to RFP #3176-00105.

C.4. **Travel Compensation.** The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. **Invoice Requirements.** The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in Section C.3, above, and as required below prior to any payment.

a. The Contractor shall submit invoices no more often than monthly, with all necessary supporting documentation, to:

Marlene Alvarez, Procurement & Contracting Manager  
Tennessee Department of Finance & Administration  
Benefits Administration Division  
William R. Snodgrass Tennessee Tower  
312 Rosa L. Parks Avenue, Suite 2600  
Nashville, Tennessee 37243

b. The Contractor agrees that each invoice submitted shall clearly and accurately (all calculations must be extended and totaled correctly) detail the following required information.

(1) Invoice/Reference Number (assigned by the Contractor);  
(2) Invoice Date;  
(3) Invoice Period (period to which all invoiced charges are applicable);  
(4) Contract Number (assigned by the State to this Contract);  
(5) Account Name: Finance & Administration, Benefits Administration Division;  
(6) Account/Customer Number (uniquely assigned by the Contractor to the above-referenced Account Name);  
(7) Contractor Name;  
(8) Contractor Federal Employer Identification Number or Social Security Number (as referenced in this Contract);  
(9) Contractor Contact (name, phone, and/or fax for the individual to contact with billing questions);  
(10) Contractor Remittance Address;  
(11) Complete Itemization of Charges, which shall detail the following:

i. Service or Milestone Description (including name /title as applicable) of each service invoiced;  
ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced;  
iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced;  
iv. Amount Due by Service; and  
v. Total Amount Due for the invoice period.

c. The Contractor understands and agrees that an invoice to the State under this Contract shall:

(1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;  
(2) not include any future work but will only be submitted for completed service; and  
(3) not include sales tax or shipping charges.

d. The Contractor agrees that timeframe for payment (and any discounts) begins when the State is in receipt of each invoice meeting the minimum requirements above.

e. The Contractor shall complete and sign a "Substitute W-9 Form" provided to the Contractor by the State. The taxpayer identification number contained in the Substitute W-9 submitted to the State shall agree to the Federal Employer Identification Number or Social Security Number referenced in this Contract for the Contractor. The Contractor shall not invoice the State for services until the State has received this completed form.

C.6. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall

neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.

- C.7. **Invoice Reductions.** The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.
- C.8. **Deductions.** The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any Contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. **Automatic Deposits.** The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other Contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.

#### **D. STANDARD TERMS AND CONDITIONS:**

- D.1. **Required Approvals.** The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.
- D.2. **Modification and Amendment.** This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- D.3. **Termination for Convenience.** The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least sixty (60) days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. **Termination for Cause.** If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to terminate the Contract and withhold payments in excess of fair compensation for completed services.
  - a. The State will provide notification of termination for cause in writing. This notice will: (1) specify in reasonable detail the nature of the breach; (2) provide the Contractor with an opportunity to cure, which must be requested in writing no less than 10 days from the date of the Termination Notice; and (3) shall specify the effective date of termination in the event the Contractor fails to correct the breach. The Contractor must present the State with a written request detailing the efforts it will take to resolve the problem and the time period for such resolution. This opportunity to "cure" shall not apply to circumstances in which the Contractor intentionally withholds its services or otherwise refuses to perform. The State will not consider a request to cure contract performance where there have been repeated problems with respect to identical or similar issues, or if a cure period would cause a delay that would impair the effectiveness of State operations. In circumstances where an opportunity to cure is not available, termination will be effective immediately.

- b. Notwithstanding the foregoing, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.
- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8. Prohibition of Illegal Immigrants. The requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
  - a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Contract Attachment A, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.
  - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.
  - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
  - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to

contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.

- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

D.9. **Records.** The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

D.10. **Monitoring.** The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.11. **Progress Reports.** The Contractor shall submit brief, periodic, progress reports to the State as requested.

D.12. **Strict Performance.** Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.13. **Independent Contractor.** The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

D.14. **State Liability.** The State shall have no liability except as specifically provided in this Contract.

D.15. **Force Majeure.** The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.

D.16. **State and Federal Compliance.** The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.

D.17. **Governing Law.** This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction

of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.

- D.18. **Completeness.** This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.19. **Severability.** If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.20. **Headings.** Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. **Conflicting Terms and Conditions.** Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. **Communications and Contacts.** All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Marlene D. Alvarez, Procurement & Contracting Manager  
Tennessee Department of Finance & Administration  
Benefits Administration Division  
William R. Snodgrass Tennessee Tower  
312 Rosa L. Parks Avenue, Suite 2600  
Nashville, Tennessee 37243  
[Marlene.alvarez@tn.gov](mailto:Marlene.alvarez@tn.gov)  
Telephone # 615.253.8358  
FAX # 615.253.8556

The Contractor:

Daniel Poch  
Vice President, Sales  
Innovative Resource Group LLC d/b/a/ APS Healthcare Midwest (APS)  
44 South Broadway  
White Plains, NY 10601  
[dpoch@apshealthcare.com](mailto:dpoch@apshealthcare.com)  
Telephone # 513.745.8795  
FAX # 914.288.4605

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

E.3. **Subject to Funds Availability.** The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.4. **Tennessee Consolidated Retirement System.** The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3 accepts state employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.

E.5. **Voluntary Buyout Program.** The Contractor acknowledges and understands that, for a period of two years beginning August 16, 2008, restrictions are imposed on former state employees who received a State of Tennessee Voluntary Buyout Program (VBP) severance payment with regard to contracts with state agencies that participated in the VBP.

- a. The State will not contract with either a former state employee who received a VBP severance payment or an entity in which a former state employee who received a VBP severance payment or the spouse of such an individual holds a controlling financial interest.
- b. The State may contract with an entity with which a former state employee who received a VBP severance payment is an employee or an independent contractor. Notwithstanding the foregoing, the Contractor understands and agrees that there may be unique business circumstances under which a return to work by a former state employee who received a VBP severance payment as an employee or an independent contractor of a State contractor would not be appropriate, and in such cases the State may refuse Contractor personnel. Inasmuch, it shall be the responsibility of the State to review Contractor personnel to identify any such issues.
- c. With reference to either subsection a. or b. above, a contractor may submit a written request for a waiver of the VBP restrictions regarding a former state employee and a contract with a state agency that participated in the VBP. Any such request must be submitted to the State in the form of the *VBP Contracting Restriction Waiver Request* format available from the State and the Internet at: [www.state.tn.us/finance/rds/ocr/waiver.html](http://www.state.tn.us/finance/rds/ocr/waiver.html). The determination on such a request shall be at the sole discretion of the head of the state agency that is a Party to this Contract, the Commissioner of Finance and Administration, and the Commissioner of Human Resources.

E.6. **Insurance.** The Contractor shall carry adequate liability and other appropriate forms of insurance.

- a. The Contractor shall maintain, at minimum, the following insurance coverage:
  - (1) Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant statutory amount or one million dollars (\$1,000,000) per occurrence for employers' liability whichever is greater.
  - (2) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate.
  - (3) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence.
  - (4) Professional Malpractice Liability with a limit of not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate.
- b. At any time State may require the Contractor to provide a valid Certificate of Insurance detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Failure to provide required evidence of insurance coverage shall be a material breach of this Contract.

E.7. **Confidentiality of Records.** Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

E.8. **HIPAA Compliance.** The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.

- a. Contractor warrants to the State that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this Contract.

- b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA.
- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the State and Contractor in compliance with HIPAA. This provision shall not apply if information received by the State under this Contract is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the State to receive such information without entering into a business associate agreement or signing another such document.

E.9. **State Ownership of Work Products.** The State shall have ownership, right, title, and interest, including ownership of copyright, in all work products, including computer source code, created, designed, developed, derived, documented, installed, or delivered under this Contract subject to the next subsection and full and final payment for each "Work Product." The State shall have royalty-free and unlimited rights and license to use, disclose, reproduce, publish, distribute, modify, maintain, or create derivative works from, for any purpose whatsoever, all said Work Products.

- a. To the extent that the Contractor uses any of its pre-existing, proprietary or independently developed tools, materials or information ("Contractor Materials"), the Contractor shall retain all right, title and interest in and to such Contractor Materials, and the State shall acquire no right, title or interest in or to such Contractor Materials EXCEPT the Contractor grants to the State an unlimited, non-transferable license to use, copy and distribute internally, solely for the State's internal purposes, any Contractor Materials reasonably associated with any Work Product provided under the Contract.
- b. The Contractor shall furnish such information and data as the State may request, including but not limited to computer code, that is applicable, essential, fundamental, or intrinsic to any Work Product and Contractor Materials reasonably associated with any Work Product, in accordance with this Contract and applicable state law.
- c. Nothing in this Contract shall prohibit the Contractor's use for its own purposes of the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of providing the services requested under this Contract.
- d. Nothing in the Contract shall prohibit the Contractor from developing for itself, or for others, materials which are similar to and/or competitive with those that are produced under this Contract.

E.10. **Competitive Procurements.** This Contract provides for reimbursement of the cost of goods, materials, supplies, equipment, or contracted services. Such procurements shall be made on a competitive basis, where practical. The Contractor shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Contract. In each instance where it is determined that use of a competitive procurement method was not practical, said documentation shall include a written justification, approved by the Commissioner of Finance and Administration, for such decision and non-competitive procurement.

E.11. **State Furnished Property.** The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Contractor's temporary use under this Contract. Upon termination of this Contract, all property furnished shall be returned to the State in good order and condition as when received,

reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the residual value of the property at the time of loss.

E.12. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

- a. The Contract document and its attachments
- b. All Clarifications and addenda made to the Contractor's Proposal
- c. The Request for Proposal and its associated amendments
- d. Technical Specifications provided to the Contractor
- e. The Contractor's Proposal

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

E.13. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

E.14. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's proposal responding to RFP # 317816-00105 (Attachment 6.2.B.15.) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and persons with a disability. Such reports shall be provided to the state of Tennessee Governor's Office of Business Diversity Enterprise in form and substance as required by said office.

E.15. Limitation of Liability. The parties agree that the Contractor's liability under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this section limit the liability of the Contractor for intentional torts, criminal acts, or fraudulent conduct.

E.16. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

E.17. Breach. A party shall be deemed to have breached the Contract if any of the following occurs:

- failure to perform in accordance with any term or provision of the Contract;
- partial performance of any term or provision of the Contract;
- any act prohibited or restricted by the Contract, or
- violation of any warranty.

For purposes of this Contract, these items shall hereinafter be referred to as a "Breach."

- a. Contractor Breach— The State shall notify Contractor in writing of a Breach.
  - (1) In event of a Breach by Contractor, the State shall have available the remedy of Actual Damages and any other remedy available at law or equity.
  - (2) Liquidated Damages— In the event of a Breach, the State may assess Liquidated Damages as outlined in Contract Attachment B. The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for a Breach by Contractor as said amounts are likely to be uncertain and not easily proven. Contractor hereby represents and covenants it has carefully reviewed the Liquidated Damages contained in above referenced Contract Attachment B and agree that said amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of Breach, and are a reasonable estimate of the damages that would occur from a Breach. It is hereby agreed between the parties that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the liquidated damage amount is in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or other section of this Contract.

The State may continue to withhold the Liquidated Damages or a portion thereof until the Contractor cures the Breach, the State exercises its option to declare a

Partial Default, or the State terminates the Contract. The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other remedy available under this Contract or at law or equity; provided, however, Contractor shall receive a credit for said Liquidated Damages previously withheld except in the event of a Partial Default.

The State may conduct "secret shopper" and other monitoring activities during the operation of this Contract. The State may also assess liquidated damages for breaches of contract that it discovers during these and other activities as outlined in Contract Attachment B.

(3) Partial Default— In the event of a Breach, the State may declare a Partial Default. In which case, the State shall provide the Contractor written notice of: (1) the date which Contractor shall terminate providing the service associated with the Breach; and (2) the date the State will begin to provide the service associated with the Breach. The Notice of Partial Default and termination of services associated with the Breach shall advise the Contractor whether the State will provide an opportunity to cure. Notwithstanding the foregoing, the State may revise the time periods contained in the notice written to the Contractor.

In the event the State declares a Partial Default, the State may withhold, together with any other damages associated with the Breach, from the amounts due the Contractor the greater of: (1) amounts which would be paid the Contractor to provide the defaulted service; or (2) the cost to the State of providing the defaulted service, whether said service is provided by the State or a third party. To determine the amount the Contractor is being paid for any particular service, the Department shall be entitled to receive within five (5) days any requested material from Contractor. The State shall make the final and binding determination of said amount.

The State may assess Liquidated Damages against the Contractor for any failure to perform which ultimately results in a Partial Default with said Liquidated Damages to cease when said Partial Default is effective. Upon Partial Default, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount. Contractor agrees to cooperate fully with the State in the event a Partial Default is taken.

(4) Contract Termination— In the event of a Breach, the State may terminate the Contract immediately or in stages. The Contractor shall be notified of the termination in writing by the State. Said notice shall hereinafter be referred to as Termination Notice. The Termination Notice may specify either that the termination is to be effective immediately, on a date certain in the future, or that the Contractor shall cease operations under this Contract in stages. In the event of a termination, the State may withhold any amounts which may be due Contractor without waiver of any other remedy or damages available to the State at law or at equity. The Contractor shall be liable to the State for any and all damages incurred by the State and any and all expenses incurred by the State which exceed the amount the State would have paid Contractor under this Contract. Contractor agrees to cooperate with the State in the event of a Contract Termination or Partial Takeover.

The Termination Notice must (1) specify in reasonable detail the nature of the Breach; (2) provide Contractor with an opportunity to cure, which shall be no less than 30 days from the date of the Termination Notice; (3) shall specify the

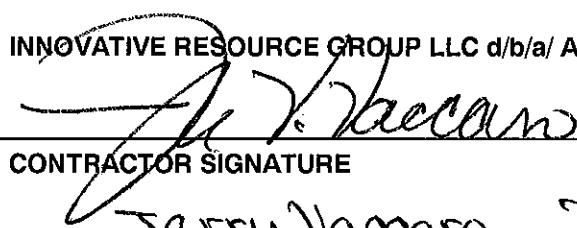
effective date of termination in the event Contractor fails to correct the Breach. The Contractor shall present the State with a written request detailing the efforts it will take to resolve the problem. This opportunity to "cure" shall not apply to circumstances in which the Contractor intentionally withholds its services or otherwise refuses to perform. The State will not consider a request to cure contract performance where there have been repeated problems with respect to identical or similar issues, or if a cure period would cause a delay that would impair the effectiveness of State operations.

b. State Breach— In the event of a Breach of Contract by the State, the Contractor shall notify the State in writing within 30 days of any Breach of Contract by the State. Said notice shall contain a description of the Breach. Failure by the Contractor to provide said written notice shall operate as an absolute waiver by the Contractor of the State's Breach. In no event shall any Breach on the part of the State excuse the Contractor from full performance under this Contract. In the event of Breach by the State, the Contractor may avail itself of any remedy at law in the forum with appropriate jurisdiction; provided, however, failure by the Contractor to give the State written notice and opportunity to cure as described herein operates as a waiver of the State's Breach. Failure by the Contractor to file a claim before the appropriate forum in Tennessee with jurisdiction to hear such claim within one (1) year of the written notice of Breach shall operate as a waiver of said claim in its entirety. It is agreed by the parties this provision establishes a contractual period of limitations for any claim brought by the Contractor.

E.18. Third Party Beneficiary. This Contract has been entered into solely for the benefit of the State and the Contractor and is not intended to create any legal, equitable, or beneficial interest in any third party or to vest in any third party any interest as to enforcement or performance.

IN WITNESS WHEREOF,

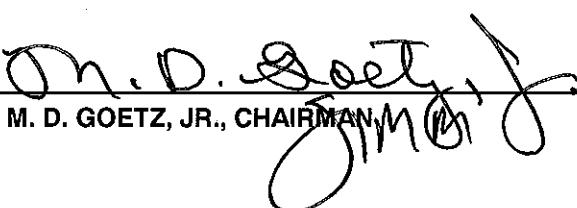
INNOVATIVE RESOURCE GROUP LLC d/b/a/ APS HEALTHCARE MIDWEST (APS):

  
CONTRACTOR SIGNATURE

7/22/2010  
DATE

  
PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

STATE OF TENNESSEE,  
STATE INSURANCE COMMITTEE,  
LOCAL EDUCATION INSURANCE COMMITTEE,  
LOCAL GOVERNMENT INSURANCE COMMITTEE:

  
M. D. GOETZ, JR., CHAIRMAN

7-26-2010  
DATE

**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

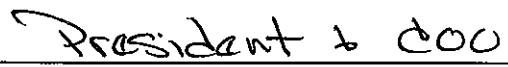
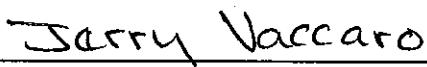
SUBJECT CONTRACT NUMBER:	22009
CONTRACTOR LEGAL ENTITY NAME:	Innovative Resource Group LLC d/b/a APS Healthcare Midwest (APS)
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	39-2013972

**The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.**

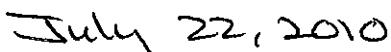


**CONTRACTOR SIGNATURE**

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.



**PRINTED NAME AND TITLE OF SIGNATORY**



**DATE OF ATTESTATION**

**Contract Attachment B****LIQUIDATED DAMAGES**

The Contractor shall pay to the State the indicated total dollar assessment upon notification by the State that an amount is due, through the term of this Contract.

As prior approved by the State in writing performance guarantees shall be measured specific to the Public Sector Plans or on the Contractor's book of business.

<b>1. Implementation Plan</b>	
Guarantee	The Contractor shall provide a project implementation plan that meets the requirements of Contract Section A.2. to the State no later than thirty (30) days after the contract start date.
Assessment	One thousand dollars (\$1,000) for each day beyond the deadline that the plan is not provided to the State.
Measurement	Measured, reported, and reconciled no later than three (3) months after the go-live date.
<b>2. Operational Readiness</b>	
Guarantee	The Contractor shall resolve all findings identified by the State during its operational readiness review, as required in Contract Section A.2., prior to the go-live date.
Assessment	Five thousand dollars (\$5,000) per finding if the standard is not met. Fifty thousand dollar (\$50,000) maximum.
Measurement	Measured and reported no later than three (3) months after the go-live date.
<b>3. Initial Data Loading</b>	
Guarantee	All data required for implementation other than member eligibility data, as described in Contract Section A.2., shall be loaded correctly.
Assessment	Five thousand dollars (\$5,000) if the standard is not met.
Measurement	Measured and reported quarterly; reconciled annually.
<b>4. Number of Employment Site Screening Events</b>	
Guarantee	The Contractor shall hold the minimum number of employment site screening events in the specified time frames as required in Contract Section A.3.
Assessment	An amount equal to the onsite health screening rate (default rate) in Section C.3 for each number below the minimum.
Measurement	Measured based on monthly Employment Site Screening Reports and reported and reconciled no later than three (3) months after the end of the health screening period.
<b>5. Member Calls Following Health Screening</b>	
Guarantee	The Contractor shall call all members whose health screening results obtained in a provider's office or with a home kit and whose results are abnormal or cause for concern (as identified in Contract Sections A.3.h and A.3.i) within the required timeframes in those same Contract Sections.
Assessment	One hundred dollars (\$100) for each occurrence.
Measurement	Measured, reported and reconciled monthly.
<b>6. Member Calls Following Health Questionnaires</b>	
Guarantee	The Contractor shall call all members whose health questionnaire results indicate likely entrance into lifestyle management, a DM program or case management as required in Contract Section A.4. and within the required timeframes in that same Contract Section.
Assessment	Five hundred (\$500) for each occurrence.
Measurement	Measured, reported and reconciled monthly. The State shall not assess any liquidated damages under this provision for the first three months of CY 2011.
<b>7. Modifications to the Health Questionnaire Per State Request</b>	
Guarantee	The Contractor shall modify the health questionnaire within thirty (30) days or immediately (if it is a legal change) of the State request as required in Contract Section A.4.b.
Assessment	One thousand dollars (\$1,000) for every day the change is not made.
Measurement	Measured, reported and reconciled within one (1) month of each request.
<b>8. Compliance with Wellness Scoring and Packet Delivery Timelines</b>	

Guarantee	The Contractor shall provide the information packet with all components (as applicable) and in the timeframe required in Contract Section A.5.c
Assessment	One hundred dollars (\$100) for each occurrence.
Measurement	Measured, reported and reconciled monthly.
<b>9. Contact to Pregnant Women</b>	
Guarantee	The Contractor's shall call each pregnant member within the timeframes required in Contract Section A.5.c. to determine if she is high-risk and appropriate for enrollment in case management.
Assessment	Five hundred dollars (\$500) for each occurrence.
Measurement	Measured, reported and reconciled monthly.
<b>10. Compliance with Enrollment Timeframes</b>	
Guarantee	The Contractor shall comply with all enrollment and initial post-enrollment contact timeframes as required in Contract Section A.6.h.
Assessment	One hundred dollars (\$100) for each occurrence.
Measurement	Measured, reported and reconciled monthly. The State shall not assess any liquidated damages under this provision for the first three months of CY 2011.
<b>11. DM Plans</b>	
Guarantee	The Contractor shall develop a DM plan for each participant in a DM program in accordance with Contract Section A.7.s.
Assessment	Five hundred dollars (\$500) for each occurrence.
Measurement	Measured, reported and reconciled monthly.
<b>12. Plans of Care</b>	
Guarantee	The Contractor shall develop a plan of care for each participant in case management in accordance with Contract Section A.7.t.
Assessment	Five hundred dollars (\$500) for each occurrence.
Measurement	Measured, reported and reconciled monthly.
<b>13. Written Member Inquiries</b>	
Guarantee	As required in Contract Section A.9, the Contractor shall respond to ninety-five percent (95%) of written inquiries (mail and email) from members within five (5) business days and one hundred percent (100%) within ten (10) business days.
Assessment	Five hundred dollars (\$500) for each full percentage under each standard.
Measurement	Measured, reported and reconciled quarterly.
<b>14. Grievance Decisions</b>	
Guarantee	Ninety-five percent (95%) of grievances related to disenrollment shall be decided within two (2) weeks, as required in Contract Section A.9.
Assessment	One thousand dollars (\$1,000) for each instance that the standard is not met.
Measurement	Measured, reported, and reconciled quarterly.
<b>15. Maximum Speed of Answer</b>	
Guarantee	The Contractor's call center shall answer, by a person, one hundred percent (100%) of calls within five (5) minutes (300 seconds).
Assessment	One hundred dollars (\$100) for each instance in which the Contractor does not answer a call within five (5) minutes (300 seconds). Maximum annual assessment: \$25,000.
Measurement	The Contractor shall calculate the number of instances during the three-hour period during which a caller's time-to-answer exceeds this threshold. Based on Contractor's internal telephone support system reports. Measured and reported on a daily basis during the thirty (30) days prior to the go-live date though sixty (60) days after the go-live date, weekly, and monthly. Please note that the monthly report shall include rates for each day as well as averages for days of week, time of day, each week, and each month.
<b>16. Unauthorized Materials</b>	
Guarantee	The Contractor shall obtain the written authorization from the State as required in this contract prior to the distribution of materials.
Assessment	Ten dollars (\$10) per each individual letter, packet, email or other distribution mechanism that contains any materials that the State has not prior authorized as required. Twenty-five thousand dollar \$25,000 maximum per occurrence.

Measurement	Measured and reported after each occurrence.
<b>17. Reading Level</b>	
Guarantee	The Contractor shall provide to the State a draft of all member outreach and education materials with both an accurate Flesch-Kincaid reading level analysis that indicates that the materials are at or lower than the 6.0 reading level and a reading level at or below 6.0 as required in Contract Section A.11.l.
Assessment	Five hundred dollars (\$500) for each occurrence in which the standard is not met.
Measurement	Measured and reported after each occurrence.
<b>18. Health Screening Event Survey</b>	
Guarantee	The proportion of members giving an overall rating of "good" or "excellent" (or equivalent responses on a five-point Leichert scale, of employment site health screening event satisfaction, as measured monthly by a State approved survey(s) required by Contract Section A.13.f., shall be equal to or greater than eighty-five percent (85%) in the first year of the Contract, and shall be equal to or greater than ninety percent (90%) in all subsequent year(s) within the contract term.
Assessment	One thousand dollars (\$1,000) for each month that the standard is not met.
Measurement	Measured, reported, and reconciled monthly.
<b>19. Program Satisfaction Survey</b>	
Guarantee	The proportion of participants giving an overall rating of "good" or "excellent" (or equivalent responses on a five-point Leichert scale), as measured annually by a State approved survey(s) required by Contract Section A.13.g., shall be equal to or greater than eighty-five percent (85%) in the first year of the Contract, and shall be equal to or greater than ninety percent (90%) in all subsequent year(s) within the contract term.
Assessment	Ten thousand dollars (\$10,000) for each year that the standard is not met.
Measurement	Measured, reported, and reconciled annually.
<b>20. Accreditation</b>	
Guarantee	The Contractor shall be accredited as specified in Contract Section A.13.
Assessment	Fifty thousand dollars (\$50,000) if the standard is not met.
Measurement	Copy of completed accreditation survey and final report.
<b>21. Eligibility Posting</b>	
Guarantee	Ninety-eight percent (98%) of electronically transmitted enrollment updates shall be posted within one (1) business day after receipt in specified format and one hundred percent (100%) posted within three (3) business days, as required in Contract Section A.18.f.
Assessment	Five hundred dollars (\$500) per day for the first (1 <sup>st</sup> ) and second (2 <sup>nd</sup> ) business days out of compliance; one thousand dollars (\$1,000) per business day thereafter.
Measurement	Measured and reported weekly; reconciled annually.
<b>22. Eligibility Discrepancies</b>	
Guarantee	Resolve all discrepancies (any difference of values between the State's database and the Contractor's database) identified by the processing of the enrollment file within five (5) business days of receipt of the file from the State, as required in Contract Section A.18.f.
Assessment	Five hundred dollars (\$500) per day for the first (1 <sup>st</sup> ) and second (2 <sup>nd</sup> ) business days out of compliance; One thousand dollars (\$1,000) per business day thereafter.
Measurement	Measured and reported quarterly; reconciled annually.
<b>23. Audit Recovery</b>	
Guarantee	As required in Contract Section A.20, any amount due the State which is not paid by the Contractor within (30) days of the Contractor's receipt of the final audit report shall be subject to a compounding interest penalty of one percent (1%) per month.
Assessment	Compounding interest penalty of one percent (1%) per month for each month payment is not received.
Measurement	Measured, reported, and reconciled after each occurrence.
<b>24. Ongoing Data Loading</b>	
Guarantee	All data required for operations other than member eligibility data shall be loaded correctly, as required in Contract Section A.18.h.

Assessment	Five hundred dollars (\$500) per day for the first (1 <sup>st</sup> ) and second (2 <sup>nd</sup> ) business days out of compliance; one thousand dollars (\$1,000) per business day thereafter.
Measurement	Measured and reported quarterly; reconciled annually.
<b>25. Call Center and Other Systems Operational</b>	
Guarantee	The Contractor's call centers (member services and nurse advice line) and other systems shall be fully operational no later than the date specified in Contract Section A.22.
Assessment	Ten thousand dollars (\$10,000).
Measurement	Measured and reported no later than three (3) months after the go-live date.
<b>26. Program Go-Live Date</b>	
Guarantee	The Contractor shall be ready to go-live according to the date in Contract Section A.22
Assessment	Twenty thousand dollars (\$20,000).
Measurement	Measured and reported no later than three (3) months after the go-live date.
<b>27. Website/Portal</b>	
Guarantee	The Contractor's website/portal for the Public Sector Plans shall be available on the internet and fully operational, with the exception of member data/Protected Health Information, on or before the date specified in Contract Section A.22.
Assessment	One thousand dollars (\$1,000) per day that the standard is not met.
Measurement	Measured, reported, and reconciled no later than three (3) months after the go-live date.
<b>28. Reporting</b>	
Guarantee	The Contractor shall distribute to the State all reports required in Contract Sections A.1 through A.23. and Contract Attachment C within the time frame specified in the Contract.
Assessment	Five hundred dollars (\$500) for each report not delivered to the State within the time frame specified in the Contract.
Measurement	Measured, reported, and reconciled after each occurrence.

Contract Attachment C

## REPORTING REQUIREMENTS

As required by this Contract, the Contractor shall submit reports to the State. Reports shall be submitted electronically, in the format specified by the State, and shall be of the type and at the frequency indicated below. The State reserves the right to modify reporting requirements as deemed necessary to monitor the Public Sector Plans. The State will provide the Contractor with at least ninety (90) days notice prior to implementation of a report modification.

Unless otherwise directed by the State, the Contractor shall submit reports as follows:

1. Weekly reports shall be submitted by Tuesday of the following week;
2. Monthly reports shall be submitted by the 15<sup>th</sup> of the following month;
3. Quarterly reports shall be submitted by the 20<sup>th</sup> of the following month;
4. Semi-Annual Reports shall be submitted by the 20<sup>th</sup> of the following month;
5. Annual reports shall be submitted within sixty (60) days after the end of the calendar year.

Unless prior approved in writing by the State, each report shall be specific to the Public Sector Plans (not the Contractor's book of business).

Reports shall include:

1. **Performance Tracking**, as detailed at Contract Attachment B (each component to be submitted at the frequency indicated in Contract Attachment B), submitted by secure email using the template prior approved in writing by the State, which shall include:
  - a. Status report narrative
  - b. Detail report on each performance measure
2. **Health Screening Completion Report**, submitted monthly using the template prior approved in writing by the State. The report shall include, at a minimum, the number and percent of Partnership PPO members and Standard PPO members (by Plan type, e.g., State, Local Education, Local Government) who have completed the health screening since the commencement of the plan year by location of screening (e.g., employment worksite, provider, in-home).
3. **Employment Site Screening Event Report**, submitted monthly using the template prior approved in writing by the State. The report shall include, at a minimum, the numbers and percent of Partnership PPO members and Standard PPO members who have completed the health screening at an employment worksite with a map tracking the number of events and the number of screens conducted at each employment worksite event.
4. **Health Screening Summary Report**, submitted quarterly using the template prior approved in writing by the State. The report shall include, at a minimum, information and data on the frequency of conditions such as high cholesterol, high blood glucose, high blood pressure and BMI status.
5. **Health Questionnaire Completion Report**, submitted monthly using the template prior approved in writing by the State. The report shall include, at a minimum, the numbers and percent of Partnership PPO members and Standard PPO members (by Plan type, e.g., State, Local Education, Local Government) who have completed the health questionnaire since the commencement of the plan year; the number of hard-copy health questionnaires provided; and a

narrative on steps the Contractor has taken to encourage members to complete a health questionnaire.

6. **Health Questionnaire Summary Report**, submitted quarterly using the template prior approved in writing by the State. The report shall include, at a minimum, information and data on the frequency of lifestyle risks and chronic conditions by type.
7. **Program Participation Report**, submitted monthly using the template prior approved in writing by the State. The report shall include but not be limited to the number and percent of eligible members (by type of PPO) who are/are not participants (by active and inactive participation) by program (lifestyle management, DM and case management), risk level, and condition (e.g., weight management, COPD, transplant); information on participation by type of intervention; the number and percent of participants enrolled in one program who are receiving services from another program; number and percent of eligible members (by type of PPO) that could not be contacted; information on participants who graduated; and a summary of co-morbid conditions by condition.
8. **Voluntary Disenrollment Report**, submitted monthly using the template prior approved in writing by the State. This report shall include but not be limited to information on voluntary disenrollments, including the number and percent of members who signed the Partnership Promise and are disenrolling.
9. **Customer Satisfaction Report**, submitted monthly using the template prior approved in writing by the State. The report shall, at a minimum, report on compliance with the established customer satisfaction standards.
10. **Quarterly Grievances Report**, submitted quarterly using the template prior approved in writing by the State. The report shall, at a minimum, summarize the number of grievances, by type, the timeframes for resolving grievances related to disenrollment and those not relating to disenrollment, and the resolution.
11. **Call Center Statistics and Summary Report**, Unless otherwise directed by the State, this report shall include but not be limited to the following data:

**Average Seconds to Answer (ASA):** The Contractor shall track and report the ASA during periods of operation for both the member services call center and nurse advice line (see Contract Section A.10.d.). The Contractor shall calculate separate rates for a three-hour continuous period each day (see Contract Section A.10.d.). In its calculation, the Contractor shall use (i) the number of answered calls during the respective period as the denominator and (ii) the total speed of answer during the respective period as the numerator based on the Contractor's internal telephone support system reports. Measured and reported on a daily basis during the thirty (30) days prior to the go-live date through sixty (60) days after the go-live date; thereafter, reported on a monthly basis. Please note that the monthly report shall include rates for each day as well as averages for days of week, time of day, each week, and each month.

**Maximum Speed of Answer:** The Contractor shall calculate the number of instances during the three-hour period (see Contract Section A.10.d.) during which a caller's time-to-answer exceeds this threshold based on Contractor's internal telephone support system reports. Measured and reported on a daily basis during the thirty (30) days prior to the go-live date through sixty (60) days after the go-live date, weekly, and monthly. Please note that the monthly report shall include rates for each day as well as averages for days of week, time of day, each week, and each month.

**Blocked Call Rate:** Using the definition of blocked calls in Contract Section A.23, Definitions, the Contractor shall calculate the rate for each continuous three-hour period (see Contract Section A.10.d.) by using the number of all calls (including abandoned calls and blocked calls) during the respective period as the denominator. The Contractor shall use the total number of blocked calls during the respective period as the numerator based on Contractor's internal telephone support

system reports. Measured and reported on a daily basis during the thirty (30) days prior to the go-live date through sixty (60) days after the go-live date, weekly, and monthly.

**Abandoned Call Rate:** Using the definition of abandoned calls in Contract Section A.23, Definitions, the Contractor shall calculate the rate for each continuous three-hour period (see Contract Section A.10.d.) by using the number of all calls (including abandoned calls and blocked calls) during the respective period as the denominator. The Contractor shall use the total number of abandoned calls during the respective period as the numerator based on Contractor's internal telephone support system reports. Measured and reported on a daily basis during the thirty (30) days prior to the go-live date through the sixty (60) days after the go-live date, weekly, and monthly.

12. **Monthly Returned Mail Report**, submitted monthly in the template prior approved by the State. The report shall, at a minimum, include the names of all members whose mail was undeliverable due to incorrect addresses provided by the State.
13. **Performance Measures Report**, submitted quarterly and annually using the template prior approved in writing by the State. The report shall, at a minimum, identify the performance measures used for each program/risk level, the methodology, the results, and proposed improvement activities.
14. **Health Screening Exit Survey Report**, submitted monthly during the period that the Contractor holds employment health screening events using the template prior approved in writing by the State. The report shall, at a minimum, summarize the methodology and results and identify improvement activities.
15. **Program Satisfaction Report**, submitted annually using the template prior approved in writing by the State. The report shall, at a minimum, summarize the methodology and results and identify improvement activities.
16. **Account Team Satisfaction Survey Report**, submitted annually using the template prior approved in writing by the State.
17. **BC-DR Results Report**, submitted annually using the template prior approved in writing by the State.
18. **Program Participation Files to medical TPAs and PBM**, submitted monthly using the template prior approved in writing by the State. The report shall, at a minimum, include information on the members enrolled in lifestyle management, a DM program, or case management and be specific to each medical TPA.
19. **Other Reports**, as specified in this Contract and using templates prior approved in writing by the State.